Featuring Sudbury Mining Area

THE FINANCIAL POST

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The Nation's Business

Canada and Research

United States Set Pace in Cutting Debt

Daly Plan Shows What We Can Do

Western Forecasts Are Now Cheering

DECISION of the Hon. James Malcolm, Minister of Trade and Commerce, to increase the national appropriation for research work, will bring forth the highest commendation which the policy deserves. Unofficially, it is estimated that the new policy may eventually involve Canada in an expenditure of $2,000,000 a year.

It is notable that the new policy evidently calls for the closest co-operation with manufacturers and other interests to whom the practical results of research work are of the highest importance. The proposal to permit private firms to utilize the national laboratories, that will be constructed, under an arrangement that provides for contributions from private firms is an excellent idea that has proven itself in actual practice in the United States.

It is important that research work in Canada should be co-ordinated under the National Research Council, but this will not preclude private interests from establishing research activities. The pulp and paper association has already appropriated a quarter of a million dollars for research.

The preliminary announcements from Ottawa give but few details of Mr. Malcolm's plans. It seems obvious that the present reports are merely given out to sound public opinion and to draw suggestions. This emphasizes the importance of industrial and business leaders studying the research needs of their own industries and making suggestions to the government.

* * *

THE question of debt retirement in Canada has been brought prominently into the realm of practical politics by the endorsation given by the Investment Bankers' Association to proposals framed by R. A. Daly, Toronto financier. Mr. Daly's scheme provides for the retirement of the present national debt of Canada through the establishment of a sinking fund into which would be paid annually, out of tax revenues, the sum of $23,447,000 annually, to which would be added interest on bonds redeemed in advance of their due dates out of the money in the sinking fund.

* * *

MR. DALY'S suggestions are of particular interest just now because the United States is just completing a gigantic conversion plan, under which the annual interest payments of that nation are being reduced by over $63,000,000 through the substitution of low interest rate bonds for some of the Liberty bonds heretofore outstanding. This plan of converting high interest yield bonds for bonds with low coupon rates is part of a general but somewhat elastic scheme for debt retirement by the United States government. Mr. Daly, in outlining his plan before the Ottawa meeting of the Investment Bankers Association, quoted the record of the United States in debt retirement as an example for Canada, although he admitted that the United States had gone further than Canada, with its more difficult problems, could expect to go. Further evidence of the excellent results being achieved under the American debt retirement program was given this week in an address by Ogden L. Mills, under secretary of the treasury of the United States. Mr. Mills said in part:

"This program of steady debt retirement is in accordance with the historic policy of the National government. It has been steadfastly adhered to by the administrations of Presidents Harding and Coolidge, and, helped by the large surpluses which have come from the prosperity of the country and the business-like administration of our National Government, has resulted in reducing our gross national debt from $25,484,000,000 on June 30, 1919, to $18,873,000,000 on May 31, 1927, or a reduction of $6,611,000,000. Last year the treasury department retired $873,000,000 of debt, and in the fiscal year which ends June 30 debt retirement will aggregate over $1,000,000,000. This means, to be sure, fewer government securities for the investor, but it spells an enormous saving in interest charges and consequent relief to the taxpayer.

"How great the relief is strikingly illustrated by the fact that interest payments next year will be less by $63,000,000 than they are during the current fiscal year, due entirely to debt reduction and refunding operations."

* * *

IT SHOULD be observed that it is not only now that the Investment Bankers' Association is taking the lead in directing public attention toward the desirability of a definite plan for ridding the nation of the incubus of war debt. Various addresses and reports of the association have discussed the problem in the past and in different reports he issued as chairman of the committee on municipal administration and finance, a few

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Eastern and Western Spokesmen Drawing Closer Together Now

Recent C.M.A. Tour Was Productive of Better Understanding — Different Groups Are Getting Together — Big Issue is Not Tariff — Other Problems Loom

By **HORACE T. HUNTER,**
Vice-President, The Financial Post.

The outstanding thing to me on the trip I made recently with over one hundred members of the Canadian Manufacturers Association to Western Canada in connection with their annual meeting at Calgary, was the broader viewpoint shown by leaders of both western and eastern interests. There seemed to be a desire on both sides to find the common ground on which they could unite for the development of both industrial and agricultural interests.

It is true it was all very general and no definite policies were enunciated or evolved. The relationship of host and guest and the benign influence of Jubilee Year were no doubt factors. We need not look for or expect any coalition between farmers and manufacturers at the present time, but there is a spirit of compromise in evidence which has been very much lacking during the past ten or fifteen years.

There are many reasons for this change of attitude.

Industrialization of West Proceeds

Probably the most important is the gradual industrialization of the west. This is shown by the steady increase in the number of employees and the wages paid in connection with Workmen's Compensation Board in all western provinces. During the past year, the C. M. A. made a net gain of sixty-seven in their membership in Western Canada. Since 1916 the membership has increased in the four western provinces from 354 to 975; making a net increase of 621.

The West is rich in natural resources. R. A. Hoey, the Minister of Education in Manitoba and former Progressive member for Springfield in federal house, told C. M. A. delegates at dinner in Winnipeg that Manitoba was rich in minerals, had sufficient pulp wood to warrant establishment of three pulp and paper mills, and had water power capable of development equal to both Niagara and St. Lawrence. Alberta has 87 per cent. of Canada's coal supply within her borders, and one-sixth of the coal supply of the world. It has great possibilities in oil and natural gas, and some indications of mineral wealth. British Columbia has great forest wealth, mineral deposits and its fisheries. All these resources, however, are valueless unless developed. The West is looking to the East for capital and organizing ability to establish industries which will bring wealth to the provinces and create a home market for farm products and manufactured goods.

Premier Gardiner's Address

Saskatchewan is primarily an agricultural province. Last year it produced 271,000,000 bushels of wheat. It was the prime minister of this province, Hon. J. G. Gardiner, who delivered an address in the capital city of Regina at a luncheon to the C. M. A. delegates which, for breadth of vision, directness and clearness of statement, sympathetic interest and cordial goodwill to manufacturing interests was not surpassed by anything the delegates heard on the whole trip.

"The Regina Post," which would be read by a large number of Premier Gardiner's supporters, reported him as declaring that Canada's future greatness must largely depend upon the extent of her industrial development. The Post goes on to quote Premier Gardiner as follows:

"The future pioneers of the Dominion of Canada will be, not the early settlers of the homesteading age or the ranchers of the pastoral age, but the 'kings of industry' by whom manufacturing will be extended to all parts of the country.

"Even though Saskatchewan is primarily an agricultural province, producing as much as 271,000,000 bushels and exporting 241,000,000 bushels of wheat in a single year, she too must recognize the value of industry and encourage its development."

Alberta Appreciates Coal Efforts

In Alberta much good-will has been created for manufacturers through the assistance they have given in the effort to work out a satisfactory basis for transporting and marketing Alberta coal in Ontario. Premier J. D. Brownlee expressed to the manufacturers, at their closing banquet, the appreciation of the people of the province for what the manufacturers had done.

I feel certain, too, that diversified farming is tending to stabilize conditions in the West and is emphasizing to the farmers the value of the home market.

The manufacturers have of late been more conciliatory and more diplomatic in their dealings with the West, and this has undoubtedly had a good effect. The problem is not, however, solved by any means. More definite and more positive leadership is needed. Indiscreet and exaggerated statements will no doubt be made from time to time by well-meaning but misguided members. Narrow

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New Yorkers Take Over Cryderman Group

Special to The Financial Post.

SUDBURY.—James F. Flynn, of the Crystal Comstock Gold Mines has completed a deal with a New York Syndicate to take over the Cryderman group of eighty-four claims in the zinc-lead area of the Sudbury basin, and a contract has been made with the Ontario Diamond Drilling Company to drill fourteen holes at once. The vendors retain a large interest.

Newsprint Trend Still Favoring Canadian Mills

From Our Own Correspondent.

MONTREAL.—The newsprint production figures for the month of May show a marginal decline in the output of the U. S. mills and an increase in the production of Canadian mills from 166,460 tons in April to 171,819 tons in May. While the increase in Canada and the decrease in the U. S. were hardly great enough to be really significant, yet the figures illustrate a trend which, if maintained, will work out to the ultimate benefit of the industry in this country.

Moreover, during the month the percentage of capacity at which the U. S. mills operated dropped from 87.2 to 83.8, while during the month of May the Canadian mills operated at 86.7 per cent. capacity as opposed to 85.4 capacity in the preceding month.

The mill stocks on hand at both the U. S. and Canadian mills increased but fractionally since the end of April. The stocks on hand on this continent amounted to only 3.9 days average production. Thus it will be seen there has been effected a slight betterment in the position of the Canadian industry during the month.

DULUTH-SUPERIOR COMMON IS NOW LOOKING BETTER

Earnings Position Plus the Court Decision Brightens Utility's Future

IMPROVES MONTHLY

Figures Indicate Directors Will be Able to Maintain New Dividend Rate Indefinitely

Investors in utilities are turning their attention to Duluth-Superior Traction Co. owing to the marked improvement in the earnings position of this company for the first four months of this year, compared with the corresponding months last year. Attention was drawn to the common stock of the company by the declaration of a $1 dividend a week ago, and the announced intention of the directorate to maintain the stock on a $2 basis. The board of Duluth-Superior, headed by A. E. Ames of Toronto, is conservative in the matter of dividends and it is deemed improbable that any dividend would have been declared on the common unless there was reasonable hope of continuance.

The dividend record of the common stock of Duluth-Superior has been unsatisfactory since the early stages of the world war. The normal rate of 4 per cent. was reduced to 2 per cent. on January 2, 1915, and the payments were discontinued in July of the same year. One per cent. was paid October 1, 1917, January 2, April 1, July 1, October 1, 1918. A further 1 per cent. was paid in December, 1924, but none has been paid in the last three years.

Duluth-Superior is one of those traction companies which has suffered from high operating costs and political attack. The company has been somewhat more fortunate than most, however, in that it has maintained a substantial investment reserve through difficult times from surplus achieved in pre-war days when traction companies were, for the most part, fairly prosperous. Some of the politicians in its field have viewed the financial position of the company as an additional reason for attacking the management and the property, but in recent years, more particularly in

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Canadian Stocks Fundamentally Are Sound But Will Not be Free From Slump if Wall Street Sags

By **J. GEORGE JOHNSTON.**

Recessions in values on the New York stock exchange this week were quickly followed by weakness on the Toronto and Montreal market. And when New York turned firm in the afternoon session, Wednesday, the Canadian markets also closed stronger. This is proof, if any were needed, that the Canadian markets are not by any means yet free from influences in Wall Street. However, in this instance, it may be noted that International Nickel recently has become an exceptionally active stock, listed on both sides of the boundary. If the Canadian markets were not maintained in close relation with New York, the brokers who specialize in arbitrage speedily would have enough on which to retire from business. Brazilian Traction, 'tis true, was another Canadian stock which turned weak after a prolonged period of strength, but this, too, doubtless was due to the cessation of buying on New York account.

There was some little gloom around the stock-brokerage offices in Toronto and Montreal when the market generally sold off in the middle of the present week. Some of the brokers were of the opinion that the long-predicted slump was about to arrive. Others asserted that, while a major reaction may be staved off for a time longer, the market was likely to degenerate into a listless summer pastime, with most of the traders interested more in golf than the ticker.

As a matter of fact, there seems no reason for predicting a moribund market merely because the golf clubs are attractive at this time of year. There are still a great many persons to whom the security markets are the breath of life and recreation is not likely to interfere unhealthfully with a continued active market. If the market goes off, it will be for other reasons.

Caution is Urged

On the whole, commentators who take the trouble to study statistics and to watch the signs of business and industry, are inclined to urge caution at the present time. The more than the ordinary amount of reason is that there is so much money available for use in speculation, that the markets are inclined to get out of hand. One observer even goes so far as to say that the money situation suggests that there will be a reduction soon in the federal-reserve rediscount rate. If this reduction—if and when it comes—results in a wave of speculation, the wiser course will be for the prudent holder of stocks to take his profits and hie himself to the mountains or the seashore until the excitement blows over.

Fundamentally, there seems to be nothing wrong with the business situation. There is one tendency which is becoming more marked, however, to which the holder of stocks must pay close attention. This is that highly competive conditions in manufacture and marketing have resulted in the largest concerns maintaining profits by increasing sales; this means, incontrovertibly, that the merchandisers who are not so large, are losing sales. The moral in the circumstances is to back the company which is the largest in its field.

Canada is Prosperous

In the strictly Canadian field, there appears to be little for the holder of stocks to worry about so long as he knows that the company in which he has put his money is reasonably well-managed, and is selling to its customers an essential, or at least popular, product. While the volume of business of the transportation companies in Canada may be reduced somewhat in the current year by the curtailment of wheat acreage in the West, due to weather conditions, the signs indicate a maintenance of high purchasing power in the agricultural community owing to higher prices which are almost certain to prevail throughout the year.

There are few who doubt that Canada is due for a period of almost unparalleled prosperity. Yet there is reason to hope that this prosperity will not be accompanied by overexpansion of industry or of ideas. This country has learned two or three bitter lessons as a result of attempting to go too fast, and at this time the lesson is still vividly in the minds of most. In the next decade, it can be hoped, growth will be gradual and permanent and that there will not be a pronounced depression following a natural growth.

With the prosperity of the country assured, it is possible to anticipate that Canadian stocks will not accompany New York stocks all the way down, if a major reaction hits Wall Street. That there will be, and must be, some recession in Canadian values when Wall Street values drop, there can be no doubt, but the real values will remain with the present prosperous Canadian list whatever the fluctuations recorded on the tape, and it can be expected that the prices will be proportionally good so long as the Canadian market is not imbued with panic and a tendency to unduly sympathetic reaction.

Glass Business is Now Better

From Our Own Correspondent.

MONTREAL. — It is understood that with generally improved business conditions and with the demand for liquor in Ontario, that the glass manufacturing companies have been experiencing substantially increased business in recent months.

The bettered situation has been felt both by the Consumers Glass and the Dominion Glass Company. The last-named company's shares have already responded to the improved business. Dominion Glass has also recently effected several changes which have tended to reduce operating costs and to increase net profits.

Brazilian Split is Likely to be Three-for-One

Official opinion as regards a split in the shares of Brazilian Traction is utterly lacking, but the fact that the denials have merely taken the form of the assertion that the question has not been discussed at meetings of the directors, lends some color to the rumor that some such step is unofficially in the immediate future.

A prediction which reached The Financial Post from a reliable source early in April was that the common shares of this company would split before the end of the calendar year. The prediction was that the split would be either three or four for one. At that time, a two-for-one division evidently was not contemplated.

May Leave Rate Same

It is widely believed that the split would be three for one. If such takes place, the dividend rate on the new shares is difficult to forecast. It is apparently the policy of the directors to increase the dividend rate merely at the gait of 1 per cent. a year. Six per cent. is now being paid on the par of $100. To propose a three-for-one division and an increase in the rate simultaneously, would necessitate payment of awkward fractional amounts. But the directors may decide to leave the rate at 6 per cent. for the present, or $2 the share on new shares, and come along with an extra dividend of 50 cents the share at the end of the year. This would mean a rate of 7½ per cent. for the year on the present shares.

Christie Common is Active; Report of Sale Unverified

Various New York wire services Wednesday carried the report that Christie, Brown & Co., manufacturess of biscuits and confections, had been purchased by National Biscuit Co. at $70 the share. The stock rose eight points on the report and was strong in the early hours of Thursday's session, but receded precipitately two or three points.

National Biscuit Co. recently bought Telfer Biscuit Co. of Toronto. So far as could be learned in Toronto no negotiations are pending for the sale of Christie, Brown & Co.

Perfection Glass Buys Toronto Plate

Perfection Glass Co. has purchased outright the plant, equipment and goodwill of Toronto Plate Glass Co. The price was $320,000 and it was paid in cash.

Toronto Plate Glass Co. operates a complete plant on the Don Esplanade, Toronto. Included in the equipment is the only apparatus in Canada for the bending of glass. Acquisition of this plant by Perfection Glass will round out the facilities of the company.

McKenna Duties Help Canadian Tire Makers

Canadian tire manufacturers are benefiting from the extension of the McKenna duties whereby tires for automobiles and motorcycles manufactured in British countries enter the United Kingdom at approximately two-thirds of the regular duty, which is 33 1/3 per cent.

Heretofore, France has been the leading exporter of automobile tires to Britain, Canada ranking second, Italy third and the United States fourth. The Goodrich company in the United States has a wholly owned subsidiary in the British Goodrich, Ltd., which is now operating. It is said that another larger American manufacturer intends shortly to establish a factory in Great Britain. But it is anticipated that Canada definitely will displace France as the leading exporter of tires to the United Kingdom.

OWNERS OF STOCK IN ARCADE, LTD., GET 50 PER CENT.

Shares of Hamilton Store Are Worth Half in Sale to Eaton's

HELPS JAMES STREET

Controversy Over Better Retail District May Be Determined; Simpsons Deny Robinson Purchase

The T. Eaton Co. took over the Arcade store, Hamilton, as of June 16th. Shareholders of Arcade, Ltd., at a special general meeting June 14th, ratified the purchase agreement whereby they will obtain in cash about half the par value of their shares.

Eaton's is paying approximately $1,149,406 for the property of Arcade, Ltd., which is to apply to the authorities for permission to surrender its charter. Of the purchase price, $899,406 is given for the real estate, furniture, fixtures, machinery, equipment and goodwill of the company. The balance of $250,000 is to cover the merchandise on hand and certain orders placed for merchandise to be delivered in the future. The amount to be paid for the merchandise is to be determined by an inventory as of June 13th, the goods to be valued at 75 per cent. of their estimated cost.

To Call Bonds

Eaton's also assume the liability for the first mortgage of $445,000 of which National Trust Co., Toronto, is the trustee for the bondholders. It is expected that arrangements will be made whereby this bond issue, dated September 1, 1924, and of twenty years duration, bearing 6½ per cent. interest, will be called September 1st of this year at 105 and accrued interest.

In the letter to shareholders announcing the completion of negotiations for the sale of the property, J. P. Whelan, president, said that the shareholders would receive between $2.50 and $2.75 for each share of stock outstanding of the par value of $5. No dividends have been paid in the last three years. The uncertainty as to the exact amount which will be paid over is due to the necessity for an inventory of goods on hand.

Had 2,200 Shareholders

Arcade, Ltd., was organized twenty years ago. It has had 2,200 shareholders, of whom 1,700 held less than 1000 shares. There has been only one class of shares, of the par value of $5. The original purpose of this small par value was to achieve a wide distribution among customers of the store. The plan worked well during the seventeen years that the company was able to pay dividends, but in the last three years, with no dividends forthcoming, it is said that many of the shareholders ceased to be good customers of the store.

It was announced at the annual meeting of Arcade, Ltd., in March that negotiations were pending for the sale of the store, but President J. P. Whelan said that the plans were not far enough along to permit an announcement to be made. At that time it was reported that either Eaton's or Simpson's were negotiating for the purchase of the store, but this was officially denied in both instances. Later, The Financial Post was first to assert that plans had been virtually completed, whereby the T. Eaton Co. would operate a retail store, presumably the Arcade in Hamilton.

Deny Simpson Purchase

Purchase of the Arcade by so important an organization as the T. Eaton

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Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post.

WEEKLY REVIEW OF CONDITIONS

Half Year Nears Close With Business Conditions Sound
More Optimistic Feeling Regarding Crop Outlook
Merchandise Demand Improving Throughout the Country
Railway Traffic Heavier; Earnings Show Good Increase

FORECASTS of economists and others during the latter part of the last year to the effect that business conditions during the first half of 1927 would not be better than those prevailing in the corresponding period of 1926, have been borne out insofar as the United States is concerned, but a survey of the situation in Canada does not bear out this statement. Even though business across the line has not been so active, it is not to be inferred that a recession has set in, for such is not the case. Comparing conditions this year with those of 1925, shows that the improvement recorded last year is being well maintained.

As far as Canada is concerned, there is every reason for believing that the volume of trade is even better than last year, though the increase is not particularly great. The dollar volume of business so far this year is from 7 to 10 per cent greater than in the same period of 1926. Moreover, our key industries such as forestry, iron and steel, construction, automobile manufacturing, etc., are doing better. Employment is at a high level and there is evidently less unemployment than for some years back.

"Stabilized" Prosperity

Purchasing power has not shown any noticeable falling off, and distribution of merchandise is greater. Some lines of industry have reported decreases in the size of orders, but these have been small. Consumption is not slacking off and the multitude of small orders for diversified products has given to the market a stability which it did not have under the old regime of buying for future demand. Buying for visible requirements only, of course, has been mainly responsibile for stabilization of the industrial situation and though manufacturers still complain of this policy, it undoubtedly has been and will be the saving factor in preventing a recurrence of a collapse in commercial activity such as occurred six years ago.

Provided that the present relationship between supply and demand continues, apparently the worst that could happen would be continuous decrease in aggregate demand for goods and continuous lowering of output to conform to the reduced demand. Prospects for the immediate future, depend largely on the results of the crop. Earlier reports were distinctly unfavorable, the result of hasty opinions formed owing to unfavorable weather. As pointed out in these columns at the time, it was far too early to form an opinion on prospects, as conditions in Western Canada are subject to such wide fluctuations that not until all crops had been harvested was it possible to form any definite conclusions as to the value of farm products. This stand has been supported by the Government's report of crop conditions as at June 10th.

Growing Conditions Good

Reports from all over the country show that conditions at that date in comparison with ten year average between 1916 and 1926, which is taken as 100, was as follows: Wheat, 95; barley, 91; all rye, 100; hay and clover, 100; alfalfa, 92; and pasture, 100. Crop conditions in Manitoba are not so favorable for wheat, but other grains and grasses compare favorably. Saskatchewan is in better condition, while Alberta reports growing conditions to be the best in a great many years. While it is true that there has been a reduction in acreage, especially wheat, it should be remembered that with a continuation of good weather, a higher yield might result which would more than offset any decrease in acreage. The history of the crop of 1915 should not be forgotten.

Merchants throughout the country are reporting a good demand for seasonal goods. More seasonable weather has created a movement of summer goods and buying is well up to the average. The general feeling among merchants is that with basic conditions sound, sales of footwear, furniture, groceries, tourist and sport supplies and equipment and hardware, should be in larger volume than they were a year ago. Industrial conditions have allowed of steady employment, which in turn has enabled workers to maintain their buying power. Weather conditions in the Prairie Provinces interfered with trading earlier in the season, but the expectation is that the loss will be recovered.

Freight Movement Above Average

Freight traffic returns of recent weeks indicate that the increased activity experienced earlier in the year, is being maintained. Revenue car loading during the twenty-second week of the current year, ended June 4th, were greater than in the preceding week and also in excess of those for the same period of last year. Merchandise loadings continue to feature returns, this division having maintained consistent increases from week to week, while other commodities have moved up and down. The movement of grain and grain products to date exceeds that of 1926, while coal, lumber, pulpwood and miscellaneous commodities have registered substantial increases.

Provided there is nothing more than seasonal changes in car loadings during the balance of the year, the railways will in all likelihood report the greatest earnings of recent years. Both the Canadian Pacific and Canadian National railways in their monthly statements, have reported revenues on the increase and in view of the fact that last year's gross was one of the best ever recorded, it is possible that the both will make a better showing this year in regard to net earnings. If this should prove to be the case, then the amount of money which the two companies will turn back into extension of branch lines, improvement and other corporate work, will have a marked effect on the labor and industrial situation next year.

Seeding in Saskatchewan Rapidly Nears Completion

From Our Own Correspondent.

REGINA.—Wheat seeding was practically completed last week in Saskatchewan, although a very few intend to sow some more wheat this week, according to telegraphic reports received by the Statistics Branch of the Department of Agriculture. Oats seeding is about seventy per cent. completed, barley about sixty per cent., and flax about fifty per cent.

The weather during the past week has been generally warm during the day but tended to be cool at night, but on the whole has been favorable for growth, and crops have made good progress. Light frosts were reported at a few points, but no damage to crops resulted.

Germination in general is reported good, and with present favorable moisture conditions, warm weather should promote rapid growth and greatly improve the prospects of the late sown crops.

Pastures are showing good growth and the condition of live stock is improving.

The British Columbia Fishing & Packing Co., will shortly start construction of a new cannery at Ocean Falls, B.C. A similar plant was built at Queen Charlotte City last year.

Five months' building permits this year, in Calgary, amount to $1,048,308 as compared with $687,978 last year.

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest		To Date	
	This Year	Last Year	This Year	Last Year
Production—				
Pig iron, tons (April)	77,240	67,607	255,289	227,248
Steel, tons, (April)	109,107	79,936	330,659	260,394
Newsprint cwts. (April)	166,460	151,739	654,264	581,183
Automobiles (April)	24,611	21,502	81,892	78,193
Boots and shoes, pair (April)	1,566,750	1,426,578	6,272,436	5,634,653
Flour, bbls. (Feb.)	1,231,000	1,440,000	2,727,000	2,862,000
Construction—				
Contracts awarded (April)	$38,582,300	$37,292,000	$92,336,700	$83,218,000
Building permits (April)	$18,512,196	$19,044,499	$43,366,274	$41,538,073
Labor—Employment index (May)	100.6	94.3	....	....
Transportation—				
Car loadings (to June 4)	62,099	61,597	1,327,104	1,238,514
C.P.R. gross (April)	$15,121,289	$13,856,101	$58,357,298	$54,201,059
C.P.R. net (April)	2,253,588	2,149,639	8,716,216	8,680,706
C.N.R. gross (April)	$21,776,705	$20,278,871	$84,289,166	$79,325,976
C.N.R. net (April)	2,810,833	2,735,613	10,654,464	10,200,928
Population—				
Emigration (April)	6,225	....	21,516	.....
Immigration (March)	20,271	15,229	29,956	21,949
Trade—(April)—				
Imports	$74,297,628	$67,801,253	$338,427,091	$309,380,122
Exports	$77,337,964	$60,166,868	$345,571,370	$394,824,744
Imports of key products (Feb.)— —				
Rubber, lbs.	5,869,000	4,901,000	4,336,000	4,901,000
Cotton, lbs.	12,278,000	19,209,000	21,278,207	19,209,000
Sugar, $	2,427 990	1,309,609	2,427,990	1,309,609
Petroleum, gal.	81,052,000	38,332,000	52,222,000	38,832,000
Coal, tons (Feb.)	1,706,237	1,120,487	3,269,233	2,329,748
Exports of key products (Feb.)—				
Newsprint, (cwt.)	145,263	128,964	804,129	272,003
Automobiles (pass.) (No.) (Mar.)	6,512	8,033	15,405	17,729
Wheat, bus. (April)	20,181,762	5,525,540	60,569,880	47,532,090
Wheat Flour, bbl.	415,209	681,777	2,966,502	3,542,281
Finance—				
Failures, number, (April)	127	131	634	595
Failures, liabilities, (April)	2,279,954	2,880,479	8,986,577	9,816,537
Bank debits (April)	$2,639,971,080	$2,631,481,440	$10,152,246,224	$9,441,224,145
Bond sales (May 30)	201,237,149	254,668,046	....	....
Stock prices index (June 4)	....	....	350.1	164.1
Insurance sales (April)	$41,631,000	$37,346,000	$157,025,000	$146,480,000
Wholesale prices (1913-100))—				
General index (May)	....	....	151.9	156.8
Pig iron	....	....	143.6	144.1
Cotton	....	....	127.2	153.6
Grains	....	....	181.4	188.4
Cattle	....	....	133.9	108.5
Rubber	....	....	64.7	74.2

ALBERTA'S CROP CONDITIONS NEVER MORE PROMISING

Anticipate the Wheat Yield Will Set Record for All Time

From Our Own Correspondent.

Calgary, Alberta—Not since Alberta was promoted to the status of a province in 1905, have crop conditions been more promising at this season of the year than they are at the middle of June, 1927. Unusually heavy precipitation late last summer and throughout the autumn, winter and prolonged spring of this year, has soaked the ground thoroughly to a depth of three to six feet and intermittently during the seeding season, which is still in progress in respect of coarse grains in certain districts, showers have fallen which have conserved this insurance moisture below the surface soil. Give Alberta adequate moisture and there is no need to worry over the crops.

The years of heavy rains and big floods are always seasons of tremendous grain yields, as witness 1915 and 1923. This season, the rains have been heavy in every section of the province and floods are looked for. And if more signs were required, it is to be noted that the sloughs that have been dried for years either are partially or wholly filled up again and around them the ducks are nesting. Ducks, it is asserted, are good judges of future weather and do not frequent sloughs that will dry up.

Late Spring in Alberta

Spring was late in Alberta. Farmers were prevented from getting their wheat in the ground at the usual time. Apprehension developed and claims were published to the effect that the wheat acreage would be greatly reduced. But now that wheat seeding has been finished, it is observed that the Alberta Department of Agriculture and the Canadian Pacific Railway, in their crop reports, which are always inclined to the conservative side, state that the wheat acreage in this province will at least be as large as that of last year. The opinion of many grain men is that it is safe to assume that the Alberta wheat acreage will be even larger than that of last year, when the crop was around 112,000,000 bushels after one of the worst harvesting seasons ever known out here. If the per acre average approximates that of 1915, when a world's record of 30 bushels was established, the total yield this year will be around 200,000,000 bushels.

Wheat Germinated Rapidly

The wheat has germinated wonderfully. Everywhere the stands are heavy, strong and uniform, due to the abundant moisture and the favorable growing weather. The same holds true of the development of the coarse grains, while hay, grass and the other fodder crops are thriving with equal vigor.

In a word, Alberta could not ask for more satisfactory conditions.

The farmers broke much new land last year and are pressing a similar effort this year. Their summer fallow was also augmented and the bulk of this year's crop was put into well prepared soil. In addition many farmers are gambling on stubbled-in seed and unless unusually dry weather occurs they will take off profitable crops.

TORONTO HYDRO SHOWS GREATER INCOME FOR 1926

Report Indicates System is Paying Depreciation, Sinking Fund, etc.

The annual report of the Toronto Hydro-Electric Commission for the year ended December 31, 1926, shows gross income of $9,670,434, compared with gross income of $8,827,372 the previous year. The cost of current increased by somewhat more than $400,000 to $4,503,530. But despite the increased business indicated by the higher cost of current, operating expenses were slightly less in the last year than in the previous year, the figures being $2,216,024 for 1926 and $2,217,286 for 1925.

Net income available for interest, depreciation, sinking funds and redemption of bonds is $2,473,441, compared with $2,455,388 the previous year. Interest increased from $1,140,234 to $1,163,996; depreciation from $476,371 to $515,957; taxes from $20,646 to $29,906; sinking funds were reduced from $330,561 to $329,861; and redemption funds were increased from $406,194 to $422,312. Thus the net income, or amount available for the corporate surplus account, is $11,408, compared with $81,382 the previous year.

Say 8% on Investment

The report of the commissioners says that the system has earned sinking funds and funds for redemption of serial debentures amounting to $5,369,905 (exclusive of the sinking fund equity in the provincial system). Since the maintenance of the system's plant has been paid for out of revenue, and replacements have been made or provided for by the establishment of a depreciation reserve, it is claimed that the sinking funds, together with the reserve for the stabilization of rates, amounting in all to $6,524,076, constitute the net earnings of the enterprise over and above all operating, interest and depreciation charges for the period since the system commenced operation.

"Had the enterprise been conducted as a commercial corporation with share capital, instead of being charged with debenture capital subject to redemption, the net earnings for the year 1926," continues the report, "would have been shown at $1,927,578, that being the sum of interest and sinking fund appropriations and the net income carried to the reserve for the stabilization of rates; or the equivalent to a dividend at the rate of approximately 8.33 per cent. upon the average amount of cash capital received from the sale of debentures and invested in the system."

INCOME ACCOUNT

	1926	1925
Income	$9,077,164	$8,565,630
Other Income	593,270	261,742
Gross Income	$9,670,434	$8,827,372
Less:	L	
Cost of Current	4,503,530	$4,088,698
Oper. Expenses	2,216,024	2,217,286
Res. for Poss. Profit	66,000	66,000
Appliances Exp.	411,439	....
....	$7,196,993	$6,371,984
Balance	$2,473,441	$2,455,388
Less:		
Interest	1,163,996	1,140,234
Depreciation	515,957	476,371
Taxes	29,906	20,646
Sinking Funds	329,861	330,561
Redemption Funds	422,312	406,194
Net Income	$ 11,408	$ 81,382

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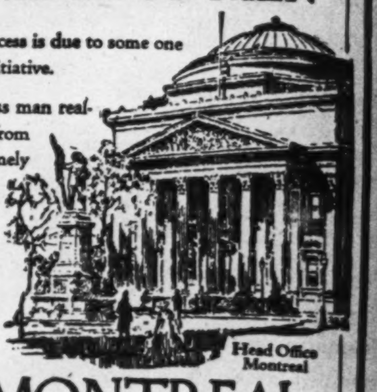
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Economic Conference Recommendations Must be Worked Out Slowly

Suggestions Only Made to Governments For Aiding Return to Economic Harmony—Canada's Story on Pulp Export Told

Special to The Financial Post,
By DR. ADAM SHORTT,
Of Canada's delegation to International Economic Conference, Geneva.

LONDON, Eng. — Now that the International Economic Conference is over and the resolutions which were passed will soon be presented to the respective governments represented there, one is in a position to form some more or less definite estimate as to its actual and possible results. One of the most notable features in connection with it has been the remarkable unanimity with which the resolutions were accepted by a great variety of nationalities represented.

Explained Canada's Position

Apart from the very real harmony among the various delegates, one must recognize two chief conditions as contributing to this result. In the first place there were some frank presentations of special national economic conditions, which at first sight might be regarded as at variance with the wording at least of certain resolutions, but which were in reality in harmony with general international interests. Thus, for instance, in the general recommendations against the imposition of any prohibitions or restrictions, for the levying of special taxes on the export of raw materials as between different countries, I found it necessary, as a Canadian, to explain to the committee on freedom of commerce, that, in the case of pulp and pulpwood, the Canadian provincial governments in recent years, had found it to be quite indispensable for the proper conservation of the forest resources of the country to adopt a special policy in this respect. In the issue of licenses to cut spruce wood on public lands, the provincial government prohibited the export of the product in the shape of either pulp-wood or pulp, requiring its manufacture in the country into paper or similar products. This had the effect of insuring the investment of capital in the erection of extensive hydro-electric power and manufacturing plants in the vicinity of the spruce forests and almost entirely dependent upon their preservation. Thus private interests, represented in the capital invested, and the public interest in the conservation of the forests to an indefinite future were most effectively united. This was not merely a matter of national interest for Canada, but a matter of international interest for all the countries which were more or less dependent upon Canada for the supply of printing paper. In contrast with this policy, the experience of the past century had shown that, by permitting the miscellaneous export of the raw material of the pine forests of the United States and Canada, the greater part of them had been destroyed by fire to the immense loss not only of these countries but of the world at large. The American delegates who represented the interests most extensively concerned in this new Canadian policy, quite acquiesced in this view of the matter. Somewhat similar reservations followed from delegates of those countries in Europe surrounding the Baltic Sea. As a result such or similar restrictions were accepted as not inconsistent with the general resolutions in favor of the freedom of export of the raw materials required by other countries.

Soviet Delegates "Agin" Everything

The other factor which contributed to the notable unanimity in favor of the general resolutions, was the skillfully diplomatic wording by the drafting sub-committees of the resolutions themselves in their final form. The result was that when the conference met in plenary session to finally pass upon the various resolutions, they were accepted without a dissenting voice, save in the case of the delegation of the Russian Soviets, who unitedly voted against them all. Their chief grievance seemed to be that, despite their frequent insistence upon the Radical distinction between the Soviet system and the capitalist system, the conference, while recognising this in an informal manner, had omitted to formally state it in the general resolutions. This was characteristic of the attitude of the Soviets throughout. They seemed to aim more at self-advertisement than the serious discussion of any of the real problems which came before the conference. Indeed, during the proceedings the Russian conduct seemed to be guided more by instinct than reason, which naturally resulted in bringing them into several quite irrational positions. This was specially evident in their anxiety, on the one hand, to emphasize the distinction between their system and the capitalist one, while, on the other hand, there was nothing more evident than their anxiety to secure the cooperation and assistance of the capitalist nations in furnishing work for the unemployed in the other countries. Yet the unemployed would hardly agree, any more than their employers, to accept Russian credit documents for a substantial portion of their remuneration. Some consciousness of the awkward conclusions which might be drawn by the capitalist mind from the rather marked inconsistencies in their different attitudes seemed to dawn upon them at the last, for they took pains, the day following their radical disagreement with the resolutions of the conference, to indicate that they did in fact agree with many phases of these resolutions but not with others. But even the manner in which these belated concessions were made, left an unfavorable impression upon most of the other delegates. The Americans in particular took pains to indicate that nothing tangible had resulted from any overtures made to them.

Need for More Trade Freedom

As already indicated, the conference had divided into three committees, on commerce, industry and agriculture. From the point of view of results the first committee was the more important; although the second gave rise to the most spirited discussions and the greatest diversity of views. In all cases the central questions for consideration turned almost entirely on European conditions, as being the most abnormal in consequence of the great war. Whatever the different governments may think of the conclusions and recommendations of the conference as regards international trade, and the restrictions placed upon it by post-war tariffs and other more subtle and indirectly protective measures, yet, among the delegates to the conference, there proved to be, as we have said, a remarkably unanimous recognition of the necessity for a return, not necessarily to pre-war conditions, but to conditions of freer international trade through the reduction of tariff and other barriers to such trade. Special emphasis was placed on the desirability of the negotiation of enduring international economic treaties, which, while insuring fair and impartial treatment to all nations, would meet the special and legitimate requirements of individual nations.

In the Committee on Industry prolonged discussions took place over what is now covered by the conveniently sweeping term rationalization, which may be said to cover anything reasonably conducive to improved production. But the more spirited part of the discussion centred around the advantages and disadvantages of cartels, combines, and trusts, domestic or foreign. In the opinion of many, these could insure most beneficial results, while, in the opinion of others, they were beset with serious and more or less certain dangers. As a result, the report of this committee is much the most vague and non-committal of the three. It merely indicates alternative possibilities and calls for more complete statistical information from the different countries as to the actual conditions of industry.

Commend "Co-Ops" in Farming

In the Committee on Agriculture apart from the emphasis laid on the importance of this broad and fundamental field of industry, two features were specially noted. On the one hand, all forms of co-operative enterprise in the production and distribution of agricultural products were commended and encouraged; and, on the other, much importance was attached to the desirability of promoting and facilitating the provision of capital credits for the assistance of agricultural production. This is a feature which occupies a very large share of popular interest in Europe, but which is hardly heard of in America. With us agricultural credits, in the way of facilitating the acquisition by the farmers of agricultural machinery, etc., is rather to be criticised for the ease with which such credit is obtained by the farmer, or even pressed upon him.

It was recognized that the recommendations of the conference, and especially those connected with the freedom of international trade, must be worked out more or less gradually. It was considered, however, that, through the subsequent conference of members of the governments of the different nations, whether assembled under the auspices of the League or otherwise, much could be done in this direction with little delay; while most effective measures could be taken for the future adjustment of the more difficult problems which remained. In this connection it is interesting to observe that, both in the meetings of the League itself and in such international conferences as the present assembled under its auspices, there is a steadily increasing tendency to employ the League and its powers, not as directing or controlling international relations, but as simply facilitating the discussion and adjustment of them by the representatives of the governments most intimately concerned. Thus, not the League but the governments themselves become responsible for the terms of the agreements and for the efficient fulfillment of them. It remains to be seen, therefore, how far the League may be able to induce the responsible representatives of the different countries to follow up the recommendations so unanimously reached by their unofficial delegates to this conference. Needless to say these delegates have been abundantly urged, on returning to their respective countries, to follow up their joint recommendations.

Wool Association Closes Pool Earlier Than Usual

Conditions seem to be improving rapidly in the wool business. In contrast to the draggy market and late settlements of a year ago, prices to-day are on the up-grade and the Canadian Co-operative Wool Growers announce that that portion of the new clip received up to the end of April will be settled for immediately. Quite a lot of Ontario wool was consigned during March and April this season, and rather than have these shippers wait until the regular settlement at the end of the year, the Co-operative decided to close the pool at the end of the first two shipping months.

This early settlement seems to bear out the firm tone of the wool market.

APRIL SUMMARY REVEALS CHANGE IN EXPORT TRADE

British Buyers Again in the Market for Canadian Products

Although trade returns for the fiscal year ended April last, show a contraction of exports and expansion of imports as compared with the preceding twelve month period, figures for the month of April alone are more significant in that they show that the spread between the two items is gradually widening and the favorable balance increasing as a consequence. Total imports for the month of April last were $74,297,628 and exports $78,404,407, making a total of $152,702,035. In the same month a year ago imports and exports were $67,801,253 and $60,915,077. Thus there has been an increase of $6,496,375 in imports, while exports have advanced $17,170,096.

Purchases from abroad during April are usually at the low point for the year and though comparison of this year with that of 1926 shows an increase of about 10 per cent., the change in the export situation is much more pronounced. Exports, for example, have advanced from $49,518,444 in April, 1925, to $60,708,550 in April, 1926, and to the high mark of this year. Moreover the favorable balance for April has been increased from $1,603,899 last year to $3,788,545. In April of 1925 there was an unfavorable balance of over $10,000,000.

The improvement in export trade during April, was largely as a result of the better demand for Canadian products from the United Kingdom. Last year at this time, the British market was unsettled owing to industrial troubles and purchase of bacon, fresh meats, butter and other Canadian commodities was necessarily limited owing to the curtailment of buying power. Until the ending of the coal strike in November last, no improvement in the situation was to be expected, but during the late fall and winter months the expected increase in demand did not materialize. Since the beginning of the current year, however, exports have steadily increased in value and in April amounted to $32,832,753. This compares with only $14,001,801 in the same month a year ago.

On the other hand, imports do not make any material change as far as country of origin is concerned. Canada is still importing heavily from the United States, purchases from that country in April having amounted to nearly 70 per cent. of the total. Rolling mill products, machinery, vehicles, (including automobiles), and automobile parts are the principal items of import from across the line.

Recession in the favorable balance of trade during the fiscal year ended March 31st last, was very marked as compared with the preceding year. This was due to the greater industrial activity prevailing within the Dominion and the consequent demand for goods from other countries, especially the United States. There has been no noticeable change in the industrial situation this year, production to date comparing favorably with that recorded in the same period of 1926, and it is to be expected that the fiscal figure on imports for 1926-27 will show another substantial increase. On the other hand, the present trend of exports would indicate that the spread between the two items will not be so small and that the favorable balance will provide greater credit facilities for Canada in other markets of the world.

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GOTFREDSON BONDS PROVIDE CASH FOR DETROIT PURCHASE

Truck Company at Walker-Ville Becomes Owner of Affiliated Company

Shareholders of Gotfredson Corp. are meeting at Walkerville June 17, to act on the proposal whereby the Canadian company acquires the business of the Detroit Gotfredson company. The Detroit company, it is asserted, has assets of $2,100,000. The ultimate net cost to the Canadian company, according to a letter to shareholders signed by Benjamin Gotfredson, president, will be $750,000. This transaction thus would add more than $14 to the book value of the shares of the Canadian company.

Peabody, Houghteling & Co., Detroit firm of investment bankers, has underwritten an issue of $1,000,000 in first (closed) mortgage 6½ per cent. convertible sinking fund gold bonds. It is expected that the Toronto investment house of R. A. Daly & Co. will become associated in the placing of these bonds with Canadian investors.

Increase Capital Stock

Another matter on which the shareholders have been asked to act is the proposal to increase the authorized capital to 150,000 shares of no-par common stock. Of this total 40,000 shares would be held in the treasury against the conversion of bonds. The bonds are to be convertible into common shares on the basis of $20 the share the first year, $21 the second year, $23 the third year and thereafter at $25 the share.

Up to the present, the Gotfredson Corp. of Walkerville has had an authorized and outstanding capital of 100,000 shares of stock of no-par value. There has been neither funded debt nor preferred stock.

Courtlands Silk Company, Cornwall, have begun work on a plant extension 200 by 100 feet.

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Stock Market

MARKET INDICATOR

20 Industrial Stocks		
Week of June 15	100.8	97.0
Week of June 8	99.3	96.5
Month of June, 1926	77.5	73.1
9 Bank Stocks		
Week of June 15	$245	$243
Week of June 8	244	241
Month of June, 1926	225	222
10 Public Utilities		
Week of June 15	115	113
Week of June 8	116	112
Month of June, 1926	95	90

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	4	2	3	9
Paper	1	9	5	15
Steel	10	12	18	40
Foodstuffs	14	19	13	46
Utilities	14	8	9	31
Tractions	4	3	7	14
Industrials	18	9	30	57
Textiles	3	3	12	18
Total	68	65	97	230

Heintzman & Co. to Absorb Nordheimers

Nordheimer Piano & Music Co., on January 1st, next, becomes merged with Heintzman & Co., according to an announcement made this week by J. F. MacKay, Toronto financial agent.

These firms are among the oldest and most highly respected business houses in Canada, the former having been founded by Abraham and Samuel Nordheimer in 1840, and the latter founded by Theodore A. Heintzman, 1850.

The consolidation has been made possible largely through the desire of Albert Nordheimer, president of The Nordheimer Piano & Music Company Limited, to have more leisure during the remaining years of his life, and the further fact that Mr. Nordheimer's only son and logical successor, Major Victor Nordheimer, was killed in the Great War.

The two businesses will be conducted under their present management and entirely separate until the date mentioned, after which time, both of the enterprises will be carried on by Heintzman & Co. Limited, 195 Yonge Street, Toronto.

The Nordheimer Company, in addition to the manufacture of pianos, has developed a sheet music department, which has become one of the outstanding successes in that line on the Continent. This will be carried on by Heintzman & Company Limited.

The instruments manufactured by the two firms mentioned, have enjoyed more than a national reputation and it was partly due to the high standing enjoyed by the products of both companies, that the present union of interests has been made possible.

International Rlys. Come to Agreement With Guatemala

News of much importance to Canadian holders of International Railways of Central America first lien and refunding 6½ per cent. bonds, due February 1, 1947, is contained in a despatch to the effect that the Guatemalan Congress has approved of a contract covering settlement of all accounts held by the Railway against the Government. Under this contract, the International Railways will receive $2,515,000 par value of Guatemalan Government bonds 8 per cent. coupon rate and 2 per cent. amortization.

Earnings of the railway for the first four months of this year were substantially ahead of those for the corresponding period of a year ago.

UNLISTED SECURITIES

	Bid	Asked
Brooks Motor, 1 pref. & 1 com.	3¼	4½
Can. Machinery, com.	5	7
Can. Westinghouse, com.	192	..
Chase, A. W., com.	4	8
Do., pref.	65	75
Goodyear Tire, 6% pref.	103	103¼
Goodyear Cotton, pref.	97	103
King Edward Hotel, Deb. A.	73	75
Farmers Dairy, com.	75	85
King Edward Hotel, Deb. B.	60	65
Loew's Buffalo, pref.	37	42
Nat. Grocers, 1st pref.	94	98
Nat. Grocers, com.	1	4
Continental Life, 20% paid	50	..
Crown Life	175	..
Empire Life	30	33
Excelsior Life, 30% paid	80	88
Great West Life	420	440
Monarch Life, 10% paid	39	42
Mortgage Discount, pref.	5¾	6½
Ontario Equitable	29	32
Security Life, 40% paid	..	28
Sun Life, 75% paid	950	1100
Toronto Finance, pref.	3½	4½
Canada Life	850	925
Capital Life, 20% paid	21	25
Farmers Dairy, pref.	103	107
Dom. Combing Units	15	25
Dom. Sewer Pipe, com.	52	56
Fanny Farmer, com.	27	29
Do. pref.	29	31

National Trust-Wolvin Argument Presented in Conversational Form

Receiver for Besco Subsidiary Opposes Recapitalization Plan, But Committees of Shareholders Are Fairly Well Satisfied

By RIELLE THOMSON.

MONTREAL.—All the squabbles, snarls and tiffs between the British Empire Steel Corporation and the National Trust Company have now become so involved that the average investor in the shares of Besco or its subsidiaries has difficulty in ascertaining the real fundamentals underlying the fight.

To understand the situation surrounding Besco and the National Trust Company, it is first necessary for the investor to obtain a clear mental picture of the relation between Besco and the Dominion Iron and Steel Company; the company which is now in the hands of the trust company which is acting as receiver for the bondholders.

Reduces Shares Outstanding

Besco owns all the common stock of the Dominion Steel Corporation. This last company in turn owns all the common stock of the Dominion Coal Company, the vital link in the Besco chain, and also all the common stock of the Dominion Iron and Steel, now in receivership.

The shareholders committees of the British Empire Steel Corporation have formulated a plan to reorganize the capital structure of Besco. This reorganization plan is to be submitted to the various classes of shareholders of the corporation at meetings to be held in July. The capital reconstruction plan provides for the authorization of 1,000,000 shares of no par value. The first preferred shareholders will obtain 3½ new shares for every one of the old; the second preferred will obtain one-tenth of a new share for every old share, and the common shareholders will turn in their stock on the basis of one new share for every thirty presently outstanding.

The Proposed Capitalization

The present capitalization and the projected new capital compare as follows:

Present Capital		New Capital
First preferred	80,321 shares to be exchanged for	281,123 n.p.v. shares
Second preferred	573,500 shares to be exchanged for	57,350 n.p.v. shares
Common	244,500 shares to be exchanged for	81,500 n.p.v. shares

Total new shares to be outstanding 346,623

Fighting on Capitalization

It is over this proposed recapitalization that the fight now rages. The National Trust Company says that it has an interest in the matter because as trustee for the bondholders of the Dominion Iron and Steel it holds as collateral some 60,000 shares of the present second preferred shares of the British Empire Steel Corporation.

To obtain a picture of the attitude of the two opposing forces in the fight, it might clarify the situation to the investor to present a highly-imaginative conversation which most certainly has not and never would take place between Roy M. Wolvin, president of Besco, and W. E. Rundle, general manager of the National Trust. These are the two chief figures in the spat. The scene is laid in any club in Montreal. The action begins:

Enter Rundle and Wolvin from different doors.

Wolvin: "Good-day Rundle. Have a cigar?"

Rundle: "No thanks, I prefer a cigarette."

Wolvin: "What do you think of my projected recapitalization?"

Rundle: "I think it's rotten."

Wolvin: "Why?"

Rundle: "In the first place, the new capitalization would deprive the second preferred shareholders of the voting control of the corporation which they now hold."

Wolvin: "Quite so, but the first preferred also are deprived of even more valuable prior rights. Incidentally, the first preferred is a stock which has large assets behind it. Furthermore, the common shareholders will get what amounts to little or nothing. Why should not the second preferred also suffer in the reorganization?"

Rundle: "But it is not a reorganization. It is merely a shuffling of the shares."

Is a Shuffling

Wolvin: "Certainly it is a shuffling of the shares—but it is a shuffling which is always carried out in similar instances, and a shuffling which will leave the corporation only 346,623 shares outstanding from an authorized capitalization of 1,000,000 shares of no par value. For the future it might be possible to issue more of these shares to the present shareholders at below the market price, and thus obtain new financing. Some of the shares might also be exchanged for the preferred shares of the component companies. This would simplify Besco's involved capital structure."

Rundle: "Anyway, as trustee for the Dominion Iron bondholders we hold some of the second preferred shares of Besco and we will vote against the plan because we do not think that the second preferred shareholders come out satisfactorily in the deal. We are the largest individual holders of second preferred stock."

Wolvin: "The second preferred shareholders committee were well content with the idea."

Rundle: "But that committee represented only you and your associates' interests."

Wolvin: "They did not. The committee was representative of all groups of the second preferred shareholders—excluding, of course, the National Trust Company. But the minority shareholders were represented and all were content with, and recommended the adoption of the new capitalization."

For General Good

Rundle: "The plan also leaves the present management in control of Besco—and the corporation can not make progress under its present control."

Wolvin: "Well, you may not like the ownership under which Besco operates, but we have a greater interest in its success than anyone else. Why should the present owners give away, or sell out?"

Rundle: "For the general good of the country."

Wolvin: "No one else is working for the good of the country. Moreover, we have so often been accused of having watered stock, I should think that the country would best be served by the dewatering process which we are now endeavoring to accomplish."

Rundle: "But you started at the wrong end."

Wolvin: "What do you mean?"

Rundle: "You know what I mean. You should have first reorganized the subsidiary companies and finally the holding company, Besco itself."

Wolvin: "Ha-ha. Apparently it is the same old story."

Rundle: "What do you mean 'old story?'"

Wolvin: "Why the same old fight between the coal and the steel properties. The coal properties have made money and it has been the endeavor of the steel properties to obtain their coal at low prices in order that what might be called an uneconomic industry may benefit at the expense of the sound industry."

Tail Can't Wag Dog

Rundle: "As far as I can see, the coal properties are no sounder than the steel properties. Anyway, what's the use of the reorganization, the tail can't wag the dog."

Wolvin: "Besco is no tail and the industries are no dog. Furthermore, our subsidiary industries are all right and doing better each month. At the moment there is no need to reorganize them. The only thing that needs reorganization is the Dominion Iron and Steel. That's your job—not ours. Besco does not want to have anything to do with the Dominion Iron and Steel. Too long it has been a millstone around our necks. Why won't you foreclose the mortgage on the property and sell it lock, stock and barrel?"

Rundle: "Now Wolvin, you know as well as I that talk of that character is only a magnificent gesture. You need, and will probably ultimately obtain the Dominion Iron in the Besco chain of industries."

Wolvin: "We don't want to have anything to do with it—unless assistance

(Continued on page 9)

Foreign Power Securities Corporation
LIMITED

6% Cumulative Participating Preferred Stock

This Corporation owns a substantial interest in the Securities of L'Energie Industrielle and its Subsidiaries.

These companies serve 972 communities throughout France, having 170,000 connected customers, and embracing a population of 1,192,765.

Price 100 and accrued dividend to yield 6%. Carrying a bonus of one half share Common with each Preferred.

Dividends paid quarterly on 15th of February, May, August and November.

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2.
Montreal, Quebec, Ottawa, Hamilton, London, Ont., Winnipeg.

589

This issue having been all sold, this advertisement appears as a matter of record only

NEW ISSUE

100,000 Shares

Carling Breweries, Limited

(Incorporated under Dominion Companies Act)

Transfer Agents: The Royal Trust Company, Toronto.
Registrars: The Trusts and Guarantee Company, Toronto.

CAPITALIZATION:

	Authorized	Issued
Capital: No-par-value Common Stock	*200,000*	*160,000*

No Bonds *No Preferred Stock*

Summary of information supplied by the President of The Carling Export Brewing and Malting Company, Limited:

HISTORY—The Carling Breweries, Limited, was incorporated June 4th, 1927, for the purpose of acquiring as a going concern the plants, business, trade marks, trade names, goodwill, etc., of The Carling Export Brewing and Malting Company, Limited, London, Ontario. The business was originally started in London, Ontario, in the year 1840. In 1882 a new plant was erected on the present site, its location being due to the fact that on the property is situated a flowing spring of exceptionally pure water. In 1923 the plant was thoroughly renovated and improved, and in 1926 its capacity was practically doubled.

PROPERTIES—The plant of the Company is modern and complete in every detail. It has a brewing capacity of 1,200 barrels per day and a bottling and shipping capacity of 16,000 to 18,000 cases per day with ample storage facilities. The plant is well served by rail connections.

PRODUCTS—The Company has an enviable reputation for the quality of its products with a well established trade throughout Canada. The Company's most popular brands are: Carling's Black Label Rice Lager, Carling's Amber Ale, Carling's Gold Medal Stock Ale, Carling's Porter, Carling's Canada Club Lager, Carling's Red Cap Ale.

MANAGEMENT—A three-year contract has been entered into with the executive officers who have efficiently managed the business for the past four years to remain with the new Company.

PRODUCTION COSTS—Messrs. Price, Waterhouse & Company under date of June 9th, 1927, present the following certificate:—

In connection with our examination of the books of The Carling Export Brewing and Malting Company, Limited, at London, Ontario, we investigated the manufacturing costs during the past year and seven months. As a result of our investigation we are satisfied that the manufacturing costs were less than $1.75 a case for malt beer and $2.00 a case for rice beer. These include manufacturing costs only, and are exclusive of selling, general and administrative expenses.

(Sgd.) PRICE, WATERHOUSE & COMPANY.

EARNINGS—It is the opinion of the management that the volume of business over the ensuing twelve months should be at least 1,500,000 cases, in which event on the basis of production costs shown by Price, Waterhouse & Company, the net profits to the Company should be in excess of $750,000.

It is the intention of the Directors to inaugurate dividends at the rate of $2.00 per annum, payable 50 cents per share quarterly. The first dividend is payable October 1st, 1927.

FINANCES—The assets taken over by the Company on June 11th, 1927, were as follows:

CASH IN BANK		$ 100,000.00
STOCK ON HAND, as certified by management:		
Beer	$166,180.30	
Material and supplies	75,247.83	
Containers, Barrels and Bottles	158,986.24	
		400,414.37
PREPAID INSURANCE PREMIUMS		3,272.00
REAL ESTATE, BUILDINGS, PLANT AND EQUIPMENT, at appraised value reported by Sterling Appraisal Company, Limited, under date of June 7, 1927.		
Replacement Value	$1,527,972.51	
Present Value		1,305,341.99
		$1,809,028.36

We have examined the agreements in connection with the purchase of the business of The Carling Export Brewing and Malting Company, Limited, and certify that the above is a correct statement of the assets acquired by Carling Breweries, Limited, as at June 11, 1927. Under agreements all liabilities of the business as at that date will be discharged by the vendor company, and Carling Breweries, Limited, commences business on June 11th, 1927, with no liabilities.

June 13, 1927.

PRICE, WATERHOUSE & COMPANY,
Chartered Accountants.

It is the intention of the Company to make application to list the shares on the Unlisted Department of the Toronto Stock Exchange and on the Montreal Curb Market.

All legal matters in connection with this issue are being approved by Messrs. Osler, Hoskin & Harcourt.

We offer the above shares if, as and when issued and accepted by us.

PRICE: $27.00 per share

Doherty-Easson Company, Limited
Commonwealth Building, 21 King Street East
TORONTO 2

The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

STERLING APPRAISAL COMPANY
LIMITED
9-11 E. Wellington St., TORONTO
Sterling Security Reports are prepared by Registered Professional Engineers

1927 PROFIT OF MAPLE LEAF IS SLIGHTLY HIGHER

Balance Sheet Details Show Some Difficulties of Operation in Year

Profits of Maple Leaf Milling Co. increased to $469,345 in the year ended March 31, 1927, from $432,758 in the previous year. The profits in 1925 were $520,604. After bond interest and preferred dividends, the surplus was $142,944 for the latest year, as compared with $104,403 for the previous year and $187,668 in the year ended March 31, 1925.

While the income statement indicates that the company, and the milling industry as a whole, have turned the corner from the depression that was evident in the winter of 1925-26, examination of the balance sheets for the last two years reveals somewhat unsatisfactory, although not disturbing details.

There is a slight increase in inventories and a corresponding reduction in accounts receivable, which shows that the volume of business has not come up to expectations, owing to the trouble in China, the competition from Buffalo, and other causes. Investments are up. Bankers' advances also are increased, but there is a marked reduction in accounts payable. Total current assets are $8,954,517, compared with $9,089,864 the previous year. Current liabilities are about the same for the two years, the latest figure being $5,117,503 and the previous amount being $5,114,066. Thus working capital is reduced to $3,837,014, compared with $3,975,798 the previous year. The indirect liability of the company on account of bills discounted stands at $704,155, compared to $1,093,924 the previous year.

The balance sheet shows the company to be in an exceptionally strong financial position, despite several unfavorable factors that have developed in the year entirely outside the control of the management. The corporate surplus now stands at the substantial sum of $2,076,461, in comparison with total assets of $16,307,352. Real estate, buildings, plants and equipment are valued at $6,834,289, against which there are outstanding 6½ per cent. bonds of the par value of $1,844,000. The depreciation reserve is $1,674,679, compared with $1,608,699 the previous year.

Profit and Loss

Year End: Mar. 31st	1927	1926	1925
Profits	$469,345	$432,758	$520,604
Bond Interest	121,301	123,255	127,836
Net Profit	$348,044	$309,503	$392,768
Pref. Dividends	205,100	205,100	205,100
Surplus for year	$142,944	$104,403	$187,668
Prev. surplus	1,933,517	1,829,115	1,641,447
P. & L. Bal.	$2,076,461	$1,933,518	$1,829,115

Market Record—

	x1927 H	x1927 L	1926 H	1926 L	1925 H	1925 L
Pref.	101¼	94	102	90	106	96
Common	73⅛	60	88	50⅛	100	80

xTo June 11.

Canada Steamships Lines Adds Four New Vessels

From Our Own Correspondent.

MONTREAL—The Canada Steamship Lines continues to augment and to keep its fleets up to date. The latest addition, of course, is the large new passenger vessel, the St. Lawrence, which completed her trial run this week. But in addition, the company launched three new ships this week: two package freighters and a supply tug. The two freighters, named the Weyburn and the Saskatoon, are of full canal size and have a gross tonnage of 2,383 tons.

Stock Market Record

WEEK ENDING JUNE 14

	Div. Rate	Yield June 13	High for wk.	Low for wk.	Close June 14	Close June 7	Sales for wk.	Range, 1927 High	Range, 1927 Low
Banks—									
Commerce	12+1	5.39	242	240½	241	243	195	248	228
Dominion	12+1	5.48	237	233	237	229½	84	237	217
Can. Nationale	10	6.06	165	165	165	165	6	165½	160½
Imperial	12+1	5.90	221	220	221	220	48	222	214
Montreal	12+2	4.66	300	298	300	298½	268	300	272
Nova Scotia	16	4.92	325	325	325	325	6	325	298
Royal	12+2	4.92	285	274	284	274½	1287	285	257
Standard	12	5.97	201	200	201	201	154	207	196
Toronto	12	5.17	233	232	233	230¼	90	238½	227
Paper—									
Abitibi, com. (no par)	5	5.30	96½	93¾	93¾	95	1815	97¾	82
Do. pref.	7	5.98	117	117	117	118	70	119	113
Belgo-Can., pref.	7	6.79	103	102	103	103	215	105	101
Brompton (no par)	$2	6.25	32⅛	31¾	32	32	1072	35	31
Fraser, pref.	7	7.21	..	...	...	...	...	98	96¾
Inter. Paper, com.	$2	4.87	43⅝	40	41½	41¾	21600	60⅞	39½
Laurentide	6	6.38	94	92	92½	94	1921	110¾	91½
Price Bros., com.	2	3.70	54	53	54	54	645	63	53
Do. pref.	6½	6.31	103¼	101	103¼	102	584	104	100
Prov. Paper, pref.	7	6.04	..	...	...	...	...	107	105¼
Smith, Howard, com.	.	...	63	61¾	62	63	135	68¾	61¾
Do. pref.	8	7.20	111	110½	110½	112	50	112	103½
Span. River, com.	7	7.07	99⅛	97⅛	98½	100	384	102¾	97⅛
Do. pref.	7	6.16	113½	113	113	113⅞	10	116½	110¼
Wayagamack	$3	5.07	61	57½	57½	60¾	993	61¾	46½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	¾	¾	¾	½	10	1⅜	½
Do. 1st pref.	.	...	28¾	26½	27	29	292	29¼	10
Do. 2nd pref.	.	...	2¼	1¼	1½	2	2135	4	1
Can. Car & Found., com.	.	...	..	...	...	...	...	50¼	38½
Do. pref.	7	7.69	91	91	91	91	385	94½	88
Can. Fairbanks, pref.	6	6.66	90	90	90	89	38	90	80
Can. Forgings, com.	.	...	..	...	...	...	...	27	18
Do. pref.	.	...	80	79	80	80	14	87½	66
C.G.E., com. (par $50)	.	...	58	58	58	60	5	60	50
Do. pref. (par $50)	7	5.83	60	59	60	59⅞	44	61	56
Canada Iron, com.	.	...	..	...	...	...	...	15	12
Do. pref.	4	7.27	..	...	...	...	...	60	42
Can. Locomotive, com.	.	...	..	...	...	...	...	48	40
Do. pref.	7	8.33	..	...	...	...	...	89	83
Dominion Bridge	4+2	3.12	193½	180	186	179	10775	193½	116¾
Dominion Coal	.	...	82	82	82	82	5	85	69
Dominion Iron, pref.	.	...	..	...	...	...	...	5	2¾
Dom. Radiator, pref.	7	7.00	..	...	...	...	...	101¾	101
Dom. Steel Corp., pref.	.	...	31¼	31	31	31	65	31¼	20
Ford Motor	15	...	..	...	...	...	...	436	436
Gould Pumps, pref.	7	7.00	..	...	...	...	...	100	100
Kelvinator, com. (no par)	.	...	12½	11½	11½	12	250	15	9⅞
Do. pref.	7	7.86	89	88	88	89½	81	95	87¼
Massey-Harris, com.	.	...	41	37¾	38⅛	38½	40552	42¾	37¾
Do. pref.	7	6.40	109¼	108¾	109	108¾	1181	109¾	103½
McKin. Ind., c. (no par)	.	...	23¼	23	23	24	110	25½	15
Do. pref.	7	7.33	96	95½	95½	96	44	97	93½
Do. Vot. Trust (no par)	.	...	23½	23¼	23½	23⅝	200	26¾	15
Ontario Steel, com.	4	4.54	88	88	88	83½	10	88	73
Do. pref.	7	6.79	103	103	103	102	5	103½	100
Page Hersey, c. (no par)	$3	4.22	72	71	71	72½	875	75½	53½
Do. pref.	7	4.86	145	143	143	145½	315	150	116
Pressed Metals, com.	.	...	45	43	43	45½	92	46½	34¼
Do. pref.	7	7.95	..	...	...	...	...	88	85
Russell Motor, com.	3	5.45	..	...	...	...	...	76	52
Do. pref.	7	7.14	98	98	98	95½	30	98	90⅛
Sawyer-Massey, com.	.	...	..	...	...	...	...	1	1
Do. pref.	.	...	..	...	...	...	...	22	5
Steel of Canada, com.	7	5.09	137½	130	134¼	130⅞	3698	137½	117
Do. pref.	7	5.09	137⅞	135	137½	137	652	137⅞	127
Milling and Foodstuffs—									
Alta. Pac. Grain, com.	.	...	22	21	22	21	70	27¼	19½
Do. pref.	7	7.77	90	89¾	90	87¼	120	92	85
Arnolds, com. (no par)	.	...	18	17	17½	17½	380	26	16¾
Do. pref.	7	7.95	..	...	...	...	...	92	87½
Atlantic Sugar, com.	.	...	27	26¼	26½	27	455	32	24½
Do. pref.	.	...	97	97	97	98	10	101¼	90
B.C. Fishing, com. (new)	1.25	6.94	18	17	17½	17	1417	22	16
Do. pref.	7	8.26	85¼	83	84⅞	83½	474	90	83
Can. Bak., c. (no par)	.	...	33	32	32	33½	60	38½	27
Do. pref.	7	7.07	99	97	99	97	71	102	97
Can. Bread, c. (no par)	$5	4.70	...	...	...	...	...	116	90
Do. pref. (A)	7	6.00	116½	116	116½	116	5	116½	108½
Do. pref. (B)	7	6.42	109	108	108	109½	55	112¼	103
Can. Canners, com.	.	...	51¼	50	50	52	113	63½	21
Do. pref.	4	4.44	92	90	90	92	269	97	76
Canadian Salt	8	6.01	133	133	133	135	1	136	123
Christie Bis., c. (no par)	$1.20	2.15	57¼	56	56	59	25	61½	38
City Dairy, c. (par $25)	3+1	3.17	126	116	126	116	1482	126	79
Do. pref.	7	5.88	119	119	119	119	37	119	112
Cuban Can. Sugar, com.	.	...	2½	2½	2½	2½	25	5	2½
Do. pref.	.	...	32	32	32	33	6	37	29
Wm. Davies (A) (no par)	.	...	42½	39	40½	42	4474	43⅞	25
Do. (B) (no par)	.	...	17	16	17	16	238	19½	9
Dominion Stores (no par)	$2.40	3.28	73¾	73	73¾	74	119	85½	65
Do. Rights	.	...	3½	3	3¼	3¼	369	4	3
Hamilton Dairies, com.	.	...	29	28	29	29	200	33	24
Do. pref.	7	7.21	97	96	97	95½	130	98½	96
Inter. Milling, pref.	7	6.66	105	104	105	104	111	107	104
Lake of Woods, com.	12	8.00	150¼	136½	150	134	1315	160	130
Do. pref.	7	6.36	110	110	110	113¼	270	117	110
Loblaw, com. (no par)	$1.25	2.55	49½	49½	49½	49½	36	51	48
Loblaw, pref.	7	6.40	109	109	109	109¼	2	110	107
Maple Leaf Mill., com.	.	...	..	...	...	...	...	73⅛	60
Do. pref.	7	7.29	97	96	96	97	77	101¼	94
Ogilvie Flour, com.	5	1.80	277	277	277	277	67	290	205
Do. pref.	7	5.60	125	125	125	122	5	125	120¼
Pure Gold Mfg. (no par)	$1.50	7.50	21½	21½	21½	20¼	15	21½	19⅛
Shr. Wheat, new, c. (no par)	$3	4.54	66¼	65	65	66½	477	70½	55
St. Law. Flour, com.	.	...	29¼	29	29	29½	100	31½	28
Do. pref.	7	8.23	85	80	85	81	100	85	80
Viau Biscuits, com.	.	...	21	21	21	21	83	26	18
Do. pref.	7	7.60	92	92	92	92	116	92½	83½
W. Can. Fl., c. (no par)	$1.40	5.38	26	26	26	26⅛	50	29½	22
Do. pref.	6½	6.37	102	102	102	102	68	103¼	100
West. Groc., c. (no par)	$1	...	18	18	18	19	21	29	18
Do. pref.	7	8.97	78	78	78	78½	13	84	74¼
Utilities—									
Bell Telephone	8	5.36	149	146½	148⅛	146⅛	383	158½	137
Calgary Power	.	...	..	...	...	...	...	50	50
Consumers Gas	10	5.52	181	180¾	181	181	95	182	171½
East Koot. Power	.	...	..	...	...	...	...	29¼	26
Do. pref.	7	7.21	97	97	97	97¼	150	98½	96¼
Inter. Util. (A) (no par)	$3.50	...	41¼	39	40	38½	1808	41¼	26
Do. (B)	.	...	7⅝	7	7⅝	7¼	355	7⅝	4½
Jamaica Pub. Ser., pref.	7	6.98	100¼	100	100¼	100	30	120	107½
Laurentide Power	5	4.58	109	109	109	109	95	120	107¼
Mackay, com.	7	5.90	118½	118½	118½	117½	60	127½	117½
Do. pref.	4	5.63	71	70½	70⅝	70½	462	74	69
Mexican Light, com.	.	...	..	...	...	...	...	44	27
Do. pref.	.	...	109⅞	109	109	110	110	120	77¼
Mont. L H & Pr (no par)	$2	2.35	85¼	84¼	84½	84¾	4397	85¾	68⅛
Montreal Teleg. (par $40)	8	5.23	50¼	50¼	50¼	50	10	51	49
Nor. Mexico Pr., com.	1	...	83	81	82	75½	615	83	42
Do. pref.	7	7.52	93	83	93	85	126	93	82½
Ottawa & Hull Pr., com.	.	...	..	...	...	...	...	28	26
Do. pref.	7	7.03	99½	99½	99½	97	55	99½	96
Ottawa L. H. & Pr., com.	6	5.60	107	106	107	106	15	107	98½
Do. pref.	6½	6.10	107	106½	106½	106½	14	107½	102
Quebec Power, com.	6	2.04	296	292	292	295	500	311	190
Do. Rights	.	...	..	...	...	...	...	54½	31
Shawinigan	$2	2.22	92	87¼	88½	89¼	14667	93¾	67
South. Can. Pr., com.	$2	2.02	96	95	95	95	13	97	85
Do. pref.	6	6.00	101	100	100¼	101	20	102	100
Transportation—									
Can. Pacific Rly.	10	5.61	179	177	177	180	168	190	166
Can. Steam., c. (no par)	.	...	38¼	37½	38	37½	498	42	35
Do. pref.	6	6.52	92½	91½	92	91½	1714	94¾	82½
Do. voting (no par)	.	...	35⅛	35	35⅛	35	425	37½	32½
Tractions—									
Barcelona (par $50)	1	...	51	51	51	49½	200	51	33½
Brazilian, com.	6	3.48	172	154½	165	155¼	145335	172	102½
Do. pref.	6	4.18	143½	132	141	131½	7407	143½	105
Detroit Un. Rly.	.	...	..	...	...	...	...	5	2
Duluth-Superior	1	...	27½	27½	27½	29½	25	30⅝	25
Mexican Trams.	.	...	..	...	...	...	...	21	19¼
Montreal Trams.	10	5.26	190	187	187	187	42	200	169
Ottawa Traction	4	5.97	67	67	67	67½	30	70	64
Porto Rico Rlys., com.	2	2.80	..	...	...	...	...	70⅝	59
Do. pref.	7	7.36	..	...	...	...	...	96⅛	90
Twin City, com.	4	7.40	55½	53	53½	53½	1266	66	48¾
Do. pref.	7	6.86	..	...	...	...	...	105	100¾
Winnipeg Elec., com.	1	...	79¾	75	75	76¼	7306	79¾	60¾
Do. pref.	7	6.79	103	102	103	102	91	105	100¾
Textiles—									
Can. Conn. Cotton, pref.	4	8.88	45½	45	45	45	29	57	36
Can. Converters	7	7.07	99½	97	97	100	155	107½	97
Can. Cotton, com.	8	6.45	..	...	...	...	...	132	120
Do. pref.	6	6.12	98	98	98	98	295	100	95
Can. Woollens, com.	.	...	..	...	...	...	...	10	6
Do. pref.	.	...	60	60	60	60	95	63½	59¾
Cosmos Imp., c. (no par)	.	...	27	24¾	26¾	24½	8153	27	13
Do. pref.	7	6.93	101	99½	100¼	98	199	101	91¼
Dom. Textile, com.	5	4.31	116	113½	115½	113½	937	120⅝	105
Do. pref.	7	5.83	..	...	...	...	...	121	117
Monarch Knitting, com.	.	...	..	...	...	...	...	7½	7½
Do. pref.	.	...	..	...	...	...	...	54	49
Montreal Cottons, com.	6	5.31	113	113	113	113	6	117	110
Do. pref.	7	6.02	115¾	115¾	115¾	116¾	5	118	115
Penmans, com., new	4	5.44	73½	70	72	72	335	79	70
Do. pref.	6	5.91	101½	101½	101½	102	1	105	101
Wabasso Cotton	6	6.31	95	95	95	95	5	116	84
Do. Rights	.	...	..	...	...	...	...	17	10
General Industrials—									
Amer. Sales, c. (par $20)	4	6.45	62	62	62	62	55	75	62
Do. pref.	7	6.88	101¾	101¾	101¾	101¾	12	101¾	97½
Do. Rights	.	...	..	...	...	...	...	6	3
Asbestos Cp., c. (no par)	7	...	24¼	23½	23½	24	3293	25	20
Do. pref.	7	7.77	90	88¼	88¼	88	3829	90	82¾
Brant. Cord., pf. (par $25)	8	8.69	23	22½	22¾	22	110	25	21
Building Products, pref.	7	7.14	98	96⅞	98	97	68	98	93½
Burt, F. N., c. (par $25)	$3	4.83	62½	61½	62	62	186	66	56½
Do. pref.	7	...	..	...	...	...	...	x210⅛	210⅛
Canada Cement, com.	6	3.94	152	149	150¼	150½	2473	153½	124½
Do. pref.	7	5.83	120	118½	120	118½	39	121½	116
C. Ind. Alc. (no par)	$1.28	4.00	32⅝	30	30⅞	31⅝	13031	34½	21¼
Canadian Oil, com.	5	3.44	..	...	...	...	...	150	99
Do. pref.	8	6.66	..	...	...	...	...	120¼	115½
Do., new	.	...	24½	24⅛	24½	24	140	24⅞	24
Crow's Nest Coal	6	8.95	..	...	...	...	...	71⅛	62
Dom. Glass, com.	7	5.64	125½	120½	123¼	122½	1972	125½	104
Do. pref.	7	6.25	..	...	...	...	...	115	111¼
Dom. Rubber, pref.	7	...	..	...	...	...	...	87½	80
East Theat., c. (par $25)	.	...	30	30	30	30	25	30	24
Do. pref.	7	7.33	..	...	...	...	...	95½	92½
Famous Players, com.	.	...	30	28	30	28	175	30	20
Do. pref.	8	8.29	96⅞	95	96½	96½	220	101	93¾
Gilman, com.	6	5.45	110	110	110	112	10	112	110
Do. pref.	7	6.02	116¼	116¼	116¼	116	10	125	110
Goodyear Tire, pref.	7	6.79	103½	102	102	102½	301	109	94½
Holt, Renfrew, com.	.	...	..	...	...	...	...	43	43
Do. pref.	7	7.77	..	...	...	...	...	92	85
Hunt's, Ltd., c. (no par)	.	...	25¼	23½	23½	25¼	32	25¼	20
Do. pref.	7	...	93	93	93	91	5	95	91
King Ed. Hotel (no par)	$1	...	48	47	48	48	45	60	20
Laura Secord, c. (no par)	.	...	35	27	34¼	27	1658	47	26
Do. pref.	7	6.36	112	104	111	103½	278	110	96½
Lyall Construction	.	...	40	33	37½	32½	165	45¾	35¾
Loew's, com.	.	...	..	...	...	...	...	47	38
Do. pref.	7	6.69	104½	103½	104½	102	15	105	96½
Nat. Brew., c. (no par)	$4	5.55	73½	68¾	70	69	7797	72¾	65
Do. pref.	7	6.48	109	108	108	107½	35	110	105
National Brick, com.	.	...	..	...	...	...	...	10	8
Do. pref.	7	10.76	..	...	...	...	...	81	65
Pacific Burt, com.	6	6.18	97	97	97	96½	15	100	87
Do. pref.	7	6.48	108⅛	108⅛	108⅛	108⅛	10	108⅛	102
Port Hope Sanitary, com.	3	2.30	..	...	...	...	...	130	125
Do. pref.	7	6.54	107	107	107	108	25	108	90
Rogers, Wm., com.	.	...	..	...	...	...	...	80	64
Do. pref.	7	7.00	..	...	...	...	...	100	92
Seagram (no par)	.	...	27⅝	24	24½	24⅞	7715	28⅞	15
Sher-Williams, com.	6	3.63	165	165	165	169½	5	170	142
Do. pref.	7	5.88	..	...	...	...	...	120½	117
Standard Chem., pref.	.	...	..	...	...	...	...	15	15
Sterling Coal	4	...	32	32	32	32	225	36	30
Tooke Bros., com.	.	...	..	...	...	...	...	8	8
Do. pref.	7	8.64	..	...	...	...	...	89	80
Tuckett Tobacco, com.	4	5.40	..	...	...	...	...	75	69
Do. pref.	7	6.54	107	107	107	104	7	107	103¾
Woods Mfg., com.	.	...	..	...	...	...	...	46	39
Do. pref.	7	8.75	80	80	80	78	10	89	78
Trust and Loan—									
Can. Landed (par $50)	10+1	5.47	100⅝	100⅝	108⅝	100½	30	100⅝	94
Can. Permanent	12	5.40	223½	223½	223½	222½	15	223½	216½
Colonial Invest. (par $10)	6	...	5¾	5¾	5¾	6	22	7	5¾
Huron & Erie	7+½	4.93	..	...	...	...	...	152¼	139
Landed Banking	9	5.23	..	...	...	...	...	172	161
Mont. Loan (par $50)	12+1	6.50	..	...	...	...	...	52¾	49
National Trust	12	4.74	..	...	...	...	...	255	232
Ontario Loan (par $50)	12	5.12	..	...	...	...	...	117	111
Real Estate Loan	7	6.79	..	...	...	...	...	105	100
Toronto Gen. Trusts	12	4.87	246	246	246	241	2	246	220
Toronto Mtge. (par $50)	10+1	5.34	..	...	...	...	...	103½	100
Union Trust	7	6.36	..	...	...	...	...	110	104
CURB AND UNLISTED MARKETS									
Anticosti, pref.	7	...	..	...	...	...	...	98¾	98
Attendu Engine (par $1)	.	...	17	16¾	16¾	17	275	35½	14
B.C. Oilfields (par $5)	.	...	..	...	...	...	...	2⅜	2
Beacon Oil	.	...	18	17½	17½	17½	975	20¾	15¾
Belding, com.	6	8.57	..	...	...	...	...	88	70
Do. pref.	7	2.14	98	98	98	98	25	100	98
Brading Brewery (no par)	.	...	26	25	26	28½	155	35½	25
Brit. Amer. Oil	80c	3.33	26	23	24	25¼	5864	28	20
Brew. & Distil. (par $5)	.	...	5¾	5	5¾	5¼	1755	5¾	4½
Can. Brewing (no par)	.	...	27¾	27½	27¾	27½	75	30¼	23
Can. Bronze, c. (no par)	.	...	47	46¼	46¼	46	150	50	46
Do. pref.	.	...	100	100	100	100	110	101	100
Can. Celanese	.	...	70	68½	69	72	474	72	52¾
Do. pref.	.	...	89	89	89	92	15	92	89
Can. Light & Power	.	...	..	...	...	...	...	55	20¼
Can. Nor. Pr., c. (no par)	.	...	..	...	...	...	...	52½	42
Do. pref.	7	7.14	100	98	98	98	27	100	93
Cockshutt, pref.	4	5.55	72	72	72	70¼	25	82	70
Continental Oil	$1	...	..	...	...	...	...	22¼	17
Cosgrave Brew. (par $10)	5	5.00	10½	9¼	9¾	10¾	1035	12	6
Cooksville Shale Brick, c.	.	...	..	...	...	...	...	14	10¾
Do. pref.	4	7.40	..	...	...	...	...	54	50½
Com. Alcohol (no par)	.	...	18	17½	17¾	15¾	200	65	15
Inter. Power	.	...	16	16	16	17	112	17	14½
Dom. Engineering	8	4.44	1.80	1.78	1.80	1.75	147	1.80	1.35
Dom. Power, pref.	7	6.96	..	...	...	...	...	101	100½
Dryden Power (no par)	.	...	11	10⅜	10½	11	240	15½	10⅜
East. Dairies, c. (no par)	.	...	28	28	28	28	10	29¼	20¾
Do. pref.	7	...	..	...	...	...	...	96½	94
Eng. Elec., c. (no par)	.	...	18½	18½	18½	18	8	18½	15
Do. pref.	.	...	87	87	87	90	20	95	72½
Good. & Worts (no par)	$1	1.69	59	57	57	58	4140	64	43¼
Hayes Wheel, com.	.	...	33½	32	33	33	656	34	27¾
Do. pref.	.	...	96	95½	95½	95½	20	96	94
Hiram Walker (no par)	.	...	55	51¾	51¾	53	32200	57¼	28½
Illinois Power, pref.	7	...	100¼	98	98	100	42	100½	98
Imperial Oil (no par)	$1.12½	2.54	44	43	43	43	5387	47	37¾
Imp. Tobacco, c. (par $5)	.	...	7¾	7	7¼	7¼	290	7¾	6¾
Inter. Petroleum (no par)	75c	2.50	31	29½	30	29½	2749	35¼	29
Mitchell, J. S.	.	...	28	28	28	30	8	30	28
Manitoba Power (no par)	.	...	58	56½	57	56	460	58½	50
McColl, com. (no par)	80c	2.15	38	36½	37½	37	830	40¼	22½
Do. pref.	7	6.08	116	114	115	116	111	116½	100
Mount Royal, com.	.	...	..	...	...	...	...	6	4
Do. pref.	6	...	..	...	...	...	...	55½	51½
North St. Oil, c. (par $5)	.	...	..	...	...	...	...	2.55	1.15
Do. pref. (par $5)	7	...	4.95	4.90	4.90	4.90	120	5.01	4.90
N.S. Car, c. (no par)	.	...	20	20	20	21	60	25	18¼
Ott. Mtl. Pr., c. (no par)	.	...	..	...	...	...	...	25	18¾
Do. pref. (par $50)	7	...	..	...	...	...	...	48⅝	47
Ottawa Riv. Pr. (no par)	.	...	25½	25½	25½	25	3	26	23
Paton Mfg., c. (no par)	.	...	..	...	...	...	...	60	52
Do. pref.	.	...	..	...	...	...	...	100	98
Power Corp., c. (no par)	.	...	42½	40½	40¾	41½	3224	44	27¼
Do. pref.	6	6.25	96	95	95	95	33	97½	94
Port Alfred, pref.	7	7.33	..	...	...	...	...	97½	95
Que. South Pr. (no par)	.	...	28	28	28	27½	8	53	27½
St. Maurice Power	.	...	135	135	135	135	125	150	96
St. Maur. Valley, com.	.	...	51	51	51	53	25	57½	47
Do. pref.	.	...	96	96	96	95	4	98	94½
Simpson, Robt., pref.	6	5.94	101	101	101	100	4	102	100
Sovereign Secs. (par $5)	.	...	..	...	...	...	...	2.00	1.50
St. Law. Pap., c. (no par)	.	...	40	39	39	40	20	54	39
Do. pref.	8	7.61	106	105	106	105	26	108	104
Standard Clay	.	...	..	...	...	...	...	40	38
Toronto Dairy	.	...	..	...	...	...	...	90½	90½
Toronto R.S.	.	...	..	...	...	...	...	150	150
Tram. Script	.	...	..	...	...	...	...	10	9¼
United Secs., com.	.	...	64½	64	64½	64¼	62	70½	43½
Do. pref.	6	5.71	105	104½	105	104½	38	105¼	103½
Volcanic Oil (par $25)	63c	...	..	...	...	...	...	47¼	36
Venezuelan Pete. (par $5)	.	...	..	...	...	...	...	7¾	6¼
Wallace Sand	.	...	..	...	...	...	...	3	2¼
Wolthausen	.	...	..	...	...	...	...	23½	20
Toronto B. & M.	.	...	12½	12	12	12	710	13⅛	12
N. Bakeries	.	...	32⅛	29	29½	32	7303	36¾	31
Mun. Sec. Corp.	.	...	15.00	15.00	15.00	12.00	110	15.00	12.00
Dom. Bldg.	.	...	191¼	191¼	191¼	...	25	191¼	191¼
Perfection Glass	.	...	7½	7½	7½	...	100	7½	7½
Carling Brew.	.	...	28½	28½	28½	...	100	28½	28½

xQuotations for 1926. No sales recorded in 1927 to date.

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CORNERBROOK NEEDS HELP

MONTREAL—The Newfoundland Pulp & Paper Co., which is now under option to the International Paper Co., has been unable to earn its bond interest and has served notice on the Newfoundland government to that effect.

The government therefore must meet the half year's interest charges on guaranteed bonds, which amounts to $267,000. The bonds were guaranteed by the Dominion of Newfoundland under its contract with the company. The plants of the company are located at Cornerbrook.

DO YOU VALUE RELIABLE INFORMATION?

Over $9,500,000 in cash was paid as dividends by the gold and silver mines of Ontario last year.

DID YOU GET YOUR SHARE?

Two years ago we advised the purchase of Teck-Hughes at $1.35. Now the mine has entered the dividend paying stage and the stock is selling above $7.50.

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Net Income, allowing 10% for vacancies, is estimated at $191,000—more than twice the Bond interest.

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Pulp & Paper

GATINEAU POWER IS ON EXHIBITION TO MANY VISITORS

Parties Look Over Gigantic Hydro - Electric Developments

By Staff Editor.

OTTAWA.—Numerous trips are being arranged by International Paper Company to its power and paper developments near Ottawa. Montreal Board of Trade is joining with the Engineering Institute of Canada in arranging a visit to the properties. Members of the Canadian bond dealers' community, attending the annual meeting of the Investments Bankers Association of Canada last week had the opportunity of visiting the Chelsea and the Gatineau River near Ottawa and the new newsprint mill at Gatineau Point.

These developments are within seven miles of the city of Ottawa but are located in the province of Quebec out from Hull.

Third Unit Going in at Chelsea

Two units in the Chelsea power house have been operating for some time and a third is now being installed. One unit at the Farmers power house is also operating. The power is being supplied to the International Paper Company's newsprint mill.

The subsidiary developing these sites, Gatineau Power Company, owns water-power sites with an aggregate potential capacity in excess of 700,000 horse-power.

Long term contracts for the sale of electric power have been entered into with the Hydro-Electric Power Commission of Ontario, Canadian International Paper Company, and Canada Cement Company, Limited.

The contract made with the Ontario Commission under which deliveries begin October 1, 1928, will absorb annually increasing quantities of this power, until October 1, 1931, when it reaches a fixed minimum of 260,000 horse power, or about 1,120,000,000 kilowatt hours, involving an annual payment to Gatineau Power Company of $3,900,000. This contract runs for thirty years. A substantial further part of the power will be used in the new Gatineau newsprint mill. A relatively small quantity has been sold to Canada Cement Company. It is anticipated that other outlets will develop. Pending their realization and pending the taking by the Ontario Commission of the maximum contract quantity, the surplus power is to be used in electric boilers in lieu of coal at the Gatineau Mill.

Plans are being prepared for a transmission line to the Hawkesbury mill, and two small distributing systems on the route have been acquired—that of the Papineauville Electric Company and the Bonhomme hydro-electric development and distributing system. It is hoped that the control of these properties will tend to facilitate the marketing of the power as yet unsold.

On the Gatineau River company also controls a large power site at Paugan Falls. In connection with its Paugan purchase, the company acquired all the shares of Hull Electric Company, operating electric light and power as well as street railway service in Hull, Quebec, near the mouth of the Gatineau, opposite Ottawa.

The company has also acquired all the common stock of Maniwaki Power and Telephone Company, formerly Gatineau River Power Company. Through this acquisition and a lease from the Province of Quebec the company owns a fourth power, only a very small part of which is developed, on the Gatineau River, upstream from Paugan.

Extent of International Paper Company's works in Canada is shown by the following chronology of International Paper activities affecting Canada in 1927:

January 4—Chelsea (Quebec) hydro-electric development. First unit turned over for the purpose of tuning up, one year and seventy-seven days from the commencement of construction.

January 29—Chelsea (Quebec) hydro-electric development. Second unit turned over.

March 5—Current turned into transmission line from Chelsea to Gatineau (Quebec) Mill.

March 19—Grand Falls (New Brunswick) hydro-electric development. Pilot heading of pressure tunnel holed through.

March 25—Grand Falls (New Brunswick) hydro-electric development. Work commenced on full-size section of pressure tunnel.

April 14 — Gatineau (Quebec) newsprint paper mill. First paper made for shipment.

May 8—Farmers (Quebec) hydro-electric development. First unit turned over.

May 19—Gatineau (Quebec) newsprint paper mill. Second machine began making paper for shipment.

June—Gatineau Power purchases Ottawa-Montreal Power Company.

Manitoba Paper Project is Meeting Opposition

From Our Own Correspondent.

MONTREAL—The application of the interests understood to be associated with the owners of the Manitoba Paper Company and the St. Anne Paper Company, for timber lands containing 8,000,000 cords of pulpwood and the largest hydro power site west of Niagara, appears to have met with some opposition in Manitoba.

The controversy centres not on the pulpwood concessions, but on White Mud falls, which is capable of developing 350,000 horse power. The power site is twice as large as anything on the Winnipeg river and those behind the pulp and paper project plan to erect a mill of 400 tons daily capacity providing the government will grant the pulpwood concession and the water power concession at White Mud falls. Some of the Manitoba newspapers feel that the entire rights to White Mud falls should not be granted to the projected company. The application is before the federal government at the present time.

St. Regis Paper May Manufacture Rayon?

From Our Own Correspondent.

MONTREAL—It is understood that the St. Regis Paper Company will begin the preliminary work on its new mills near Quebec city this summer. It has long known that the company intended to erect a 400 ton newsprint mill at Cap Rouge, but until the present time it has not been known when actual construction work would begin.

In view of the hesitancy in the newsprint market it is not anticipated that the company will rush its construction work to an early conclusion. There is a rumor also that the company may utilize a portion of its mills for the manufacture of rayon.

Pulp and Paper Laboratory to be Erected Shortly

From Our Own Correspondent.

MONTREAL—The preliminary work leading to the erection of the new pulp and paper research laboratory has been completed and work will begin on the new building in the near future; it is expected that it will be completed by the end of the year.

The expense of erecting and carrying out the work of the new laboratory is being borne by the Canadian Pulp and Paper Association. Nobbs and Hyde have been named as architects, and F. A. Combe and E. O. Ryan are the consulting engineers. The general contractor in charge of construction is the firm of E. G. M. Cape and Company.

The new building will house the offices of the Canadian Pulp and Paper Association and the department of cellulose and industrial chemistry of McGill University. It is anticipated that the results achieved from research at the new laboratory will prove of great value to the Canadian pulp and paper industry.

The Canadian Pulp and Paper Association is erecting the building, endowing it with $100,000 and will contribute annually not less than $25,000 to the pulp and paper division and $7,500 to the cellulose department.

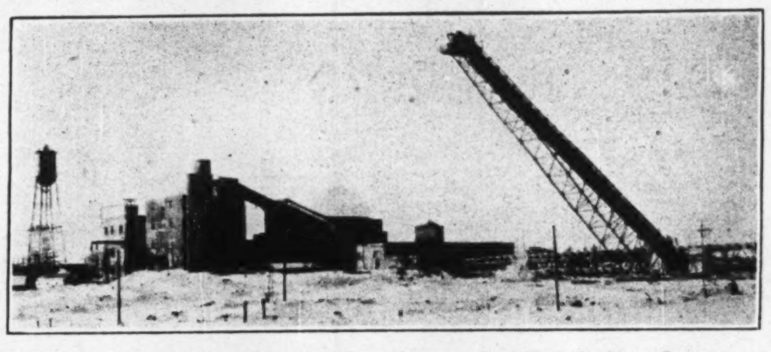
ABITIBI MAKES RECORD

From Our Own Correspondent.

MONTREAL—The efficiency of the newsprint mill of the Abitibi Power and Paper Company is being maintained at a high peak and during the first week of June the average paper production amounted to 548.6 tons a day—the best average record which the company has yet achieved.

On one day during the week the production amounted to just under 553 tons—a figure very close to the highest output reached in one day's operations.

New Mill of Manitoba Paper Company



This picture by a C.N.R. photographer shows the new mill of Manitoba Paper Company at Pine Falls, Man. Mill has been supplying newsprint to Western and United States publications for several weeks.

MACKAY SHARES RECEDE IN FACE OF COMPETITION

Public Apparently Thinks Beam Wireless Will Lower Cable Profit

Stock of the Mackay Companies, owners of the Commercial Cable Co. and land telegraph lines, registered a low for the year on June 7, at 117½. This compares unfavorably with a high for the year on January 4, at 127½.

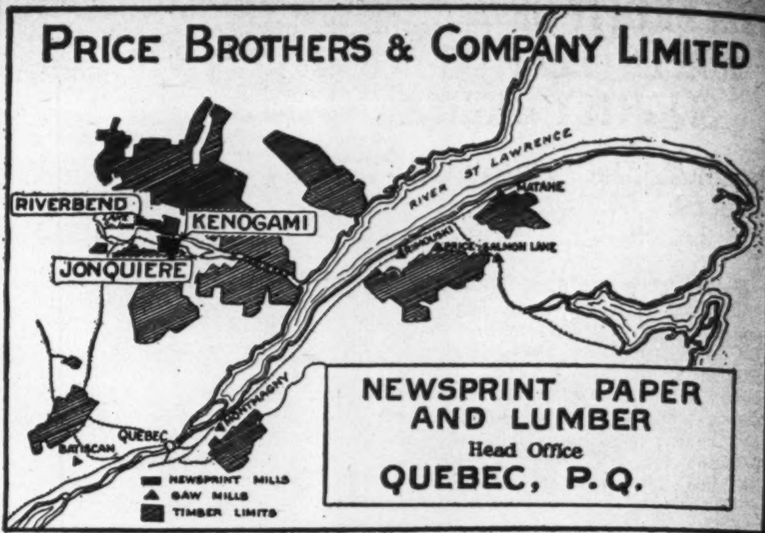
Gradual fall in the market value of this stock is attributed to the competition of the beam wireless system. It is apparently believed by many shareholders that the beam wireless will cut into the earnings of the cable companies.

Clarence Mackay, president of the Mackay Companies, said at the annual meeting that he did not believe that the beam wireless would affect adversely the prospects and earnings of the cable companies. He had pointed out that the telegraph business had not suffered from the competition of the telephone. The two services complemented one another. He believed that a similar condition would follow establishment of wireless. There are certain advantages which the cable lines have over the wireless, aside from the fact that wireless apparently will be a much cheaper means of communication than the cable lines.

BROMPTON'S EARNINGS STEADY

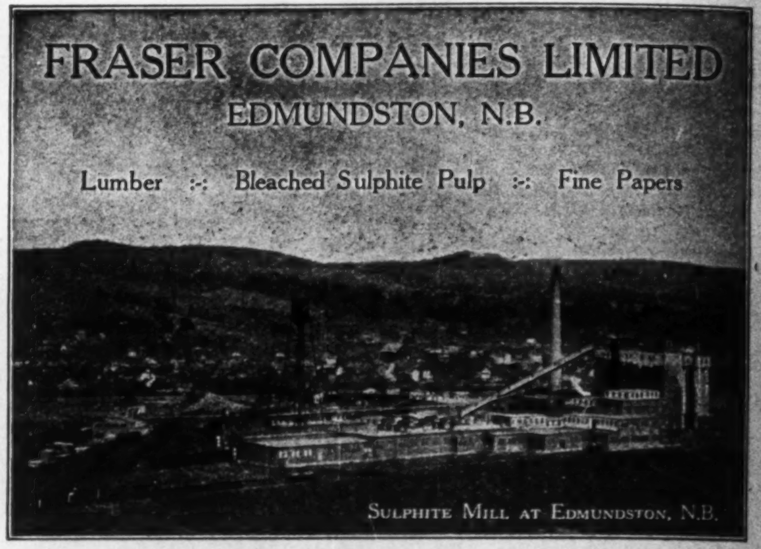
MONTREAL—It is understood that the earnings of the Brompton Pulp and Paper Company for the first five months of its fiscal year are being maintained at about the same level as a year ago.

There are rumors which indicate that over 20,000 shares of the company's common stock have been purchased by a Toronto investment house, but the reason for the purchase of the shares has not been disclosed.



PRICE BROTHERS & COMPANY LIMITED

NEWSPRINT PAPER AND LUMBER
Head Office
QUEBEC, P.Q.



FRASER COMPANIES LIMITED
EDMUNDSTON, N.B.

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SULPHITE MILL AT EDMUNDSTON, N.B.

PORT ALFRED PULP & PAPER CORPORATION

Newsprint and Sulphite Pulp

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are Canada's best

THESE famous cottons stand up better to strenuous wear and frequent washings. And they retain their fineness of texture, their lasting beauty of appearance much longer.

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Consulting Engineer
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Limited
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The Spanish River Pulp and Paper Mills Ltd.
SAULT STE. MARIE, CANADA
Manufacturers of News Print Paper

Production—720 tons daily.
Mills at
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Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

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Executive Office:
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Using a low-quality paper for your letterheads is something like static on a radio. Static is the jarring note that detracts from the performance—no matter how excellent it may be.

Letterhead paper that is obviously down at the heels is a jarring note that detracts from the effectiveness of your written message—no matter how much time or thought you put into it.

Static is sometimes unavoidable, but the other—never. Use Superfine Linen Record, and the first time you affix your signature on it you'll be impressed with its very evident high quality.

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St. Maurice Valley Corporation

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Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.

St. Maurice Paper Company, Limited, Three Rivers, P.Q.

Yearly Output—255,000 Tons Newsprint

Head Office:
MONTREAL-QUEBEC

Making Your Will

A Series of Discussions on Estate Building, Wills, Succession Duties, Etc.

Eighth Article: IMPORTANCE OF LIQUID ASSETS.

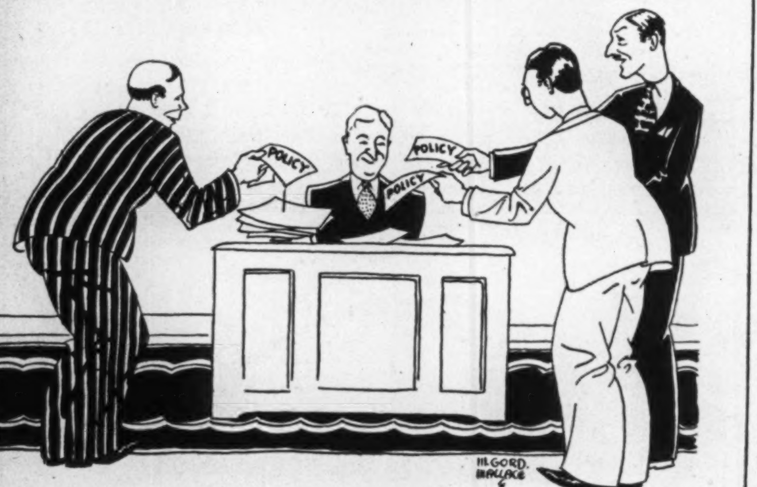
By RALPH C. GEDDES.

While a man lives he has two resources, his earning power and his credit, which in all ordinary circumstances enable him to meet all demands upon him without forcing him to draw upon his reserve. Occasionally he may have to strain his credit to the extent of mortgaging his capital, but when these times of stress are over his reserve is usually increased. In this way he builds up his estate out of his savings.

It is this comparative immunity from the need actually to liquidate any of the assets of his reserve during his lifetime, that may tend to blind him to the fact that his death will usher in a new set of conditions. His earning power stops at once, and with it that part of his credit that was based on his personal qualifications. There remains only the credit fixed by the value of the assets in his estate.

Estate Does Own Financing

Thenceforward, from the time that it comes into his executor's hands, in whatever shape it may come, his estate must finance its own needs, and the needs of those who are dependent upon it. The cash which is required to meet the claims against the estate, or the carrying charges on any part of it, or the living requirements of the family, must be met out of the income if it is large enough, or from the capital if the income is not sufficient.



There is always one means of providing cash for an estate and that is by life insurance.

That family is left in easy circumstances that is able to pay off all debts and claims, and have a large enough income to enable them to live comfortably in their own home with only the necessity of drawing on capital to meet extraordinary expenses. In such a case their protection is likely to last as long as they will need it. This is the picture that every man would like to have of his estate and family, but it is not every man who can attain to it. Yet he can always strive toward it, and if he can accumulate more than enough for this purpose, so much the better. Estates which approach or exceed such a requirement may be divided roughly into three classes, i.e. those that consist as follows:

(1) Wholly of liquid assets.
(2) Partly of liquid and partly of non-liquid assets.
(3) Almost altogether of non-liquid assets.

Shrinkage at Least 8%

The first drain upon the estate is in respect of those claims which come into being as a direct result of the death, together with those which would otherwise be met out of the current earnings of the deceased if he had lived. Many men either underestimate these liabilities, or ignore, or else are unaware of the serious effect, both direct and indirect, which they can have on the ultimate size of the estate.

In the first place, this unavoidable shrinkage, which is seldom less than 8%—and is often much more—of the total value of the estate, is practically an immediate deduction from the revenue-producing assets. In the second place, since all these liabilities must be paid within a comparatively short time after his death, it is rarely that they can be met out of income, and consequently some of the best and most readily convertible of the assets must be sold in order to pay them.

The nature of these liabilities will vary in different cases, but the following are common to practically all estates. Sick-bed and funeral expenses; outstanding accounts and current taxes; balance due on stocks bought on personal account; living expenses of family for a year, or extra cash required by them during the period of readjustment; succession duties; probate fees; and part, at least, of the administration expenses. The total may be disconcertingly large, but it is a fact that has to be faced, and each man should consider it in relation to the probable effect the payment of them will have on his estate if he should die in the near future.

Cuts Into Revenue Producing Assets

As applied to the first class of estate, its only result will be to reduce the amount of assets which otherwise would yield a revenue. Excepting the dwelling house, and its contents, cash can be raised from any part of such an estate without detriment to any other part; and the only question to be decided is whether this shrinkage will affect the standard at which he wishes his family to live or the various purposes he intends his estate to serve.

As applied to the second class of estate, if the liquid assets are sufficient to meet these expenses, he is still faced only by the same question, provided the remainder of his estate consists of good, dependable revenue-producing assets. But, if they are in any sense doubtful, he should have a sufficient margin of liquid assets left after the payment of these liabilities to provide a minimum income, or at least a sufficient reserve of cash to tide over any period when dividends might be passed. They will also be useful as a reserve for the protection of the credit of the estate during the time that must elapse before these non-liquid assets are converted into cash for re-investment in safer securities, if such a course of action is deemed advisable. This is a precaution that will enable the executor to wait for the best market and make the most advantageous sale.

If the liquid assets are not sufficient to pay these claims, the deficiency must be made up by cash realized from the sale of some of the other assets; and, as the cash is needed urgently, any such sale is likely to be made at a sacrifice of their actual or potential value. This, of course, will not be a very serious matter for the beneficiaries, if the balance still left can be sold at a good price later on and yield a good income in the meantime. But any such sacrifice of even a small part of the estate, arising from such a necessity, is a deduction from its total value that might have been avoided.

Raising Cash on Short Notice

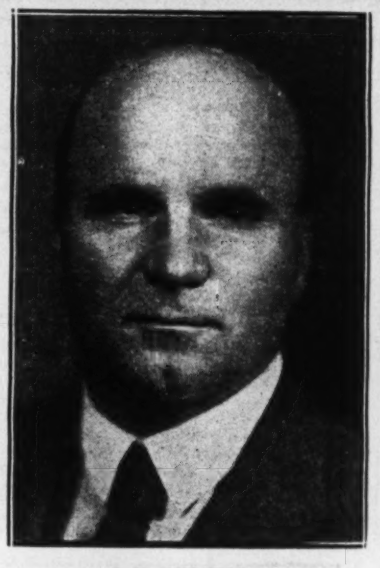
As applied to the third class of estate, the lack of liquid assets may have very serious consequences. Practically the whole of these liabilities will have to be paid by recourse to the non-liquid property. Every man knows the difficulty of raising cash on short notice on property that is not readily saleable. Under the most favorable conditions, it can only be done at a sacrifice and, at the worst, it is almost impossible.

Where the assets are yielding a small revenue, or none at the time of death, any purchaser that may be found will probably want to take them en bloc, and he will also want to take them at his own price. Frequently, assets of very great potential value have had to be disposed of in order to provide cash for winding up the estate and for the living expenses of the family. The Executor had no alternative. Cash was needed for both these purposes and there was no income since all the capital was practically non-productive. If it is sought to raise money by pledging these assets, a burden is imposed upon them at the very time when they can least stand any shrinkage in their credit value. A situation may arise that is just as serious for the dependents as though he had gone into bankruptcy—more serious, indeed, for they no longer have his earning power to depend upon.

How Much Cash is Enough?

What proportion his liquid assets should bear to his non-liquid in the last two kinds of estate, is difficult to say. There should at least be enough to cover the succession duties as well as the most urgent of the other claims. Whatever greater margin is needed will be governed by the nature of the non-liquid property, having in mind with regard to all commercial and industrial assets that their value in the future is always an inconstant quantity. The prudent man will make this margin as wide as he can afford to do.

Every man, if he lives long enough will probably see to it that his estate has assets easily convertible into cash. But no man knows how long he is going to live, and he should look at his estate as it stands at present. There is always one means of providing cash for an estate, and that is by life insurance. A man can increase his estate to the desired size, or he can provide for the protection of the estate which he already has, by bringing his insurance up to the amount which from any lack of liquid capital, will be shown to be necessary if his estate is to be realized at its greatest possible value.



C. H. BURGESS, head of the investment banking house of C. H. Burgess & Co., Toronto, has been added to the board of the Sterling Trusts Corporation.

Trust and Loan Company Profits Increase Slightly

Trust and Loan Company of Canada, a British controlled company with some $16,000,000 of assets in Canada, reports increased profits for year, to March 31, 1927. Comparative figures of three years' earnings follow:

Revenue Account

Year ending March 31—	1927	1926	1925
Earnings	£318,870	£306,681	£309,746
Less:			
Expenses	41,257	44,640	44,352
Interest	137,585	137,246	138,792
Retir. allowance	351	500	675
Income tax	27,581	24,710	36,840
Loss land invest.	10,338	8,048	......
Net profits	£101,758	£ 91,537	£ 89,087
Dividends	81,000	81,000	81,000
Reserve	10,379	5,268	4,042
Contingency	7,500	5,000	......
Surplus for year	£ 2,879	£ 269	£ 4,045
Bal. forward	57,510	57,241	53,198
P. & L. balance	£ 60,389	£ 57,510	£ 57,243

Balance sheet shows assets of £4,709,700, a small increase from last year's figure of £4,687,665. The chief assets are Canadian mortgages to an amount of $15,372,319 and land held for foreclosure to an amount of $1,029,930.

Dr. H. M. Tory, chairman of the National Research Council, announces a discovery "of great scientific importance" in rust prevention, emanating from the Dominion Rust Laboratory.

R. G. McNeillie, general passenger agent at Winnipeg, of the Canadian Pacific Railway, predicts heavy passenger traffic this year, in view of the large number of conventions booked for Western centres.

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Circulation Manager Maclean's Weekly
Dear Sir
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I am sending Royal Bank order for 100
The Farmers' Creamery Limited
Johnville, Quebec. Feb. 23/26
John Brown. Pine Ridge.
Dear Sir—
Enclosed please find Royal Bank Money Order for $45.00 due to you for this month's acct.
Yours truly
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Where Ideal Operating Conditions Prevail

ORILLIA is peculiarly favored in the spirit of co-operation that prevails between its various industries. Perhaps it is even more favored in the happy relations that exist between employer and employed. Each of them has a definite personal stake in the community. The workman owns his home, the employer his plant and each realizes that their interests are mutual. Surely no more ideal conditions for successful manufacturing can be conceived.

But Orillia has many other advantages to offer besides this undoubted one. It has the best of transportation facilities by two railways, canal and Provincial Highways. It enjoys a very favorable freight rate. Its power is municipally owned, and is delivered to the manufacturer at the lowest rate for available power anywhere in the Province. It has plant sites that can be secured at nominal figures, and with equally nominal taxes water and insurance rates. But the main factor remains. It is a town of homes, delightfully located and so attractive that there is no tendency for its workers to drift away.

ORILLIA

Full information will be gladly given on application to the Industrial Commissioner

R. H. Starr - Orillia, Ont.

WILL YOUR BUSINESS "CARRY ON"?

Are you arranging so that it can do so? A business man died recently who omitted to provide in his will that the business was to be continued, and his Executor put the business into liquidation — having no alternative.

But it is one thing to authorize a business to be continued and quite another thing to accomplish it, with the brains and ability gone from its affairs and a copious demand for ready cash to offset the loss of credit, caused by the death of its former Head.

Why not provide the means through Commercial Protection Insurance — that is, create a cash fund which will guarantee all against loss?

Very interesting information will be sent on request.

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Head Office: TORONTO, CANADA

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(25 Years' Experience)
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WHEN REMITTING
SEND
CANADIAN NATIONAL
EXPRESS
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Public Utilities

EAST KOOTENAY NET PROFITS ARE LITTLE CHANGED

Both Gross Profits and Operating Charges Have Increased

From Our Own Correspondent.

Montreal.—While the annual report of the East Kootenay Power Company for the fiscal year ending March 31, 1927, shows a substantial increase in the gross revenues, yet, due principally to an increase in operating charges, the net after interest charges show a fractional decline from the 1926 figures.

The profit and loss figures over the past two years compare as follows:

	1926-27	1925-26
Gross earn	$408,706	$377,809
Op. tax & maint.	130,614	100,011
Net earnings	278,092	277,798
Interest, etc.	181,626	179,519
Year's surplus	96,456	98,279
Previous surplus	8,389	7,610
Total	104,845	105,889
Pfd. divs.	52,500	52,500
Balance	52,345	53,389
To depr. res.	40,450	45,000
P. & L. al.	11,895	8,389

The balance sheet shows a large deficiency of working capital which can probably be traced to the increase of nearly $500,000 in plant investment. This brings the total assets up to $4,112,108 as compared with $3,696,334 a year ago. The funded debt has been reduced by $20,000 during the year, and the notes outstanding have been reduced by $50,000. Current liabilities show an increase through the appearance of a bank loan of $70,000 and bills payable of $320,319, neither of which items appeared in last year's exhibit.

A. J. Nesbitt, president of the company, comments upon this improvement in his remarks to shareholders, and adds that the coal mining industry, which for some time past was slack, is gradually getting back to normal, a marked improvement being noticeable during the first quarter of 1927.

The president said in part:

"During the year, the building of the Sentinel steam power station on Crow's Nest Lake, in the province of Alberta, has been completed. The boilers and steam equipment are now in process of installation. The new plant should be in operation some time in August, the power capacity of your company being considerably increased thereby."

International Power Earnings Increasing

From Our Own Correspondent.

MONTREAL—The consolidated earnings of the International Power Company for the first quarter of the current year have not yet been published, but it is understood that the profits of the various properties which the company controls will show a material increase

There has been a growth in the business of the subsidiary companies in the light and power field especially, which together with the marked economies contributed by the new generating plant of the Venezuela Power Company should make themselves seen in the earnings this year.

Calgary Power Company's Earnings Maintained

From Our Own Correspondent.

MONTREAL—The annual report of the Calgary Power Company for the 1926 year is expected to show earnings at approximately the same level as in the preceding year, says the current issue of Investment Items, published by the Royal Securities Corporation.

Dealing with the expansion which the company now has underway, Investment Items says: "The company is extending its distribution system to serve communities including High River, Okotoks, Nanton, Stavely, Claresholm, Granum, Vulcan, Carmangay, Barons, Nobleford and others, in the prosperous farming district between Calgary and Lethbridge, in southern Alberta."

Power Corporation Has Improved Its Earnings

From Our Own Correspondent.

MONTREAL—The rise in the shares of the Power Corporation of Canada indicates that the company has materially improved its earnings power. It seems to be generally thought that the corporation is now earning sufficient to meet the dividend requirements of its second preferred non-cumulative shares and also at the same time to leave over a surplus applicable to the common stock. No definite announcement, though, regarding the earnings of the corporation has been made by the management.

However, while earnings have undoubtedly increased substantially, the Power Corporation is a growing organization which naturally can find uses for profits which are not to be found in, say an industrial which is more or less static. Thus, the annual report for the current fiscal year, which ends June 30 next, will probably not reveal to the full extent the betterment which has taken place in the position of the company during the last twelve months.

DULUTH-SUPERIOR COMMON IS NOW LOOKING BETTER

(Continued from page 1)

recent months, a changed attitude on the part of the public has been visible.

Although the company is somewhat handicapped in that it must operate under the laws of two states, its legal and political controversies appear to be nearing an end with the decision of the United States supreme court which fixes the valuation of the property, as determined by the railroad and warehouse commission of Minnesota, as fair and reasonable. With this controversy settled, the railroad and warehouse commission now has merely to determine rates of fare which will give the company 7½ per cent. on the valuation.

It will be seen from the accompanying table of monthly earnings that January was the best of the four months of the year of which earnings, figures so far, are available. The reason, of course, is that snow conditions in the two cities at the head of Lake Superior were such as to induce motorists to use the street cars, rather than drive their own vehicles. The spring and fall months are likely to be the worst in the year, for the reason that weather conditions do not prevent operation of private vehicles, while the company's revenue from buses and recreational travel is at a minimum.

Earnings are Higher

Accompanying tables show the fluctuation in earnings in recent years, and the other table shows the situation in the first four months of this year.

Railway Operating Revenues

1921	$1,777,330
1922	1,784,774
1923	1,904,606
1924	1,789,402
1925	1,873,013
1926	1,849,463

	Gross Earnings			Operating Expenses			Net Earnings		
	1927	1926	Increase	1927	1926	Increase	1927	1926	Increase
January	185,024	167,270	17,754	138,654	135,196	3,457	46,369	32,073	14,296
February	174,179	161,111	13,067	133,112	129,028	4,083	41,066	32,082	8,984
March	176,320	171,857	4,463	137,149	138,331	1,182	39,170	33,525	5,645
April	159,240	149,711	9,529	125,706	123,926	1,780	33,534	25,785	7,748

NATIONAL TRUST-WOLVIN CLASH IN CONVERSATION

(Continued from page 4)

either by bounty or by tariff is given the industry. If this be granted, we will probably make the bondholders of the company an offer. In the meantime you can go ahead and foreclose your mortgage and acquire the property for the bondholders. Under the present conditions our shareholders are not interested in the outcome of the receivership one way or another. All we want is to be left alone. Business for us is improving and our position seems slowly to be improving."

Must Reorganize

Rundle: "But you have got to reorganize the subsidiary industries."

Wolvin: "Not just at the moment. We are quite content as we are. You are the people who have to do the reorganizing, not us. God-speed to you."

Rundle: Don't be foolish. The hope of Besco lies in better production of some kind or another for the steel industry. Under your present management, you know full well that the Government will do nothing for you."

Wolvin: "That's the first time that I've heard the National Trust Company interests are "persona grata" with the Government."

Rundle: "Don't hedge. You know that I did not say that."

Wolvin: ""Well, anyway, our shareholders own Besco and we propose to run it for them as best we can. We are not interested in Dominion Iron's reorganization under present conditions. We are in as good a position to obtain government assistance as anyone else."

Rundle: "Why won't you co-operate with us in carrying out a plan of unified reorganization of all the industries involved? It seems the best thing to do."

Would Discard Iron Company

Wolvin: "I can only repeat that I am not interested in reorganizing the Dominion Iron and Steel under present conditions. Doubtless, eventually we shall be able to bring about some reorganization in some of our other subsidiaries. This, however, is of no interest to you."

Rundle: "Anyway, it is my belief that the reorganization of all the properties should be brought about and the industries thus all set on their feet. A plan fair to all could be worked out."

Wolvin: "Certainly it could. But Besco is the property of its shareholders. Why should they not work it out in their own way?"

Rundle: "Because they will make a hash of the job."

Wolvin: "In whose opinion?"

Rundle: "In mine."

Wolvin: "I don't see any startling betterment in the operations of the Dominion Iron and Steel which indicates that the National Trust Company's opinion on iron and coal matters is any more to be relied on than the opinion of the Besco management."

Rundle: "You know that all the world thinks that Besco management should be changed."

Wolvin: "Once upon a time, all the world believed in fairies—some still do. Anyway, our shareholders own the property and we shall endeavor to operate it for them—just as any other management carries out the wishes of its shareholders. As I've already said we are doing better. In the meantime, we have obtained the support of our shareholders through the shareholders' committees who desire to work out our salvation along the lines we suggest."

Rundle: "Well, I must run along. Delightful conversation we've had."

Wolvin: "Charming. I am on my way to the Canada Cement Building. May I have the pleasure of giving you a lift?"

Rundle: "No thanks, I prefer to walk."

While the foregoing may not present the actual views of the two figures in the fight at present being waged, it is intended to portray at least something of the attitude which exists between the two antagonistic companies.

On July 11 next, the various classes of shareholders of Besco meet with the object of approving, with or without some modifications, the proposed new capitalization of the corporation. As has been said, the shareholders' committees representing each class of stockholder have unanimously approved the plan.

Canadian Canners Changes Sale Policy

An important change has been made this year in the selling policy of Canadian Canners, Ltd., says the current issue of Canadian Grocer. In the past it has been their method to book orders ahead from the wholesale trade for their year's requirements, the wholesalers taking delivery after opening prices were named and the pack was completed. This year, however, there will be no future bookings, which means that the jobbing trade will purchase canned goods as required from time to time at the market price.

The canners adopted the policy of booking futures in order to get an idea of the requirements of the trade so that the pack could be regulated to prevent large hold-overs and financial losses. During the past few years, however, wholesalers have been backward about ordering in large quantities, due to the development of hand-to-mouth buying on the part of the trade, and this has tended to less and less buying full year's requirements.

In the case of the goods with large volume sales, the experience has usually been that with some exceptions there have been plenty to go round, and frequently they could be bought under opening prices. Another reason for jobbers declining to buy in advance was that they did not want to assume large obligations and tie up money for a long period.

Should there be a season of poor crops and small packs, jobbers and large buyers may again want to contract ahead to protect themselves. Their policy has been that if a small pack was expected they would order 125 to 150 per cent. of requirements in the hope that they would get what they needed.

John Martin Turns Down Manitoba Cabinet Post

From Our Own Correspondent.

WINNIPEG—John Martin, vice-president of Provincial Paper Sales, Limited, of Winnipeg, has been offered the position of provincial treasurer in the Bracken government, but is not taking the position. Neither is he running for the house in any constituency.

Mr. Martin has come out for the Bracken government and states his belief that it is giving honest government and that business interests are being well served by it.

THESE BONDS ARE A LEGAL INVESTMENT FOR CANADIAN LIFE INSURANCE COMPANIES

We offer when, as and if issued

New Issue

$650,000

MAYOR BUILDING, LIMITED

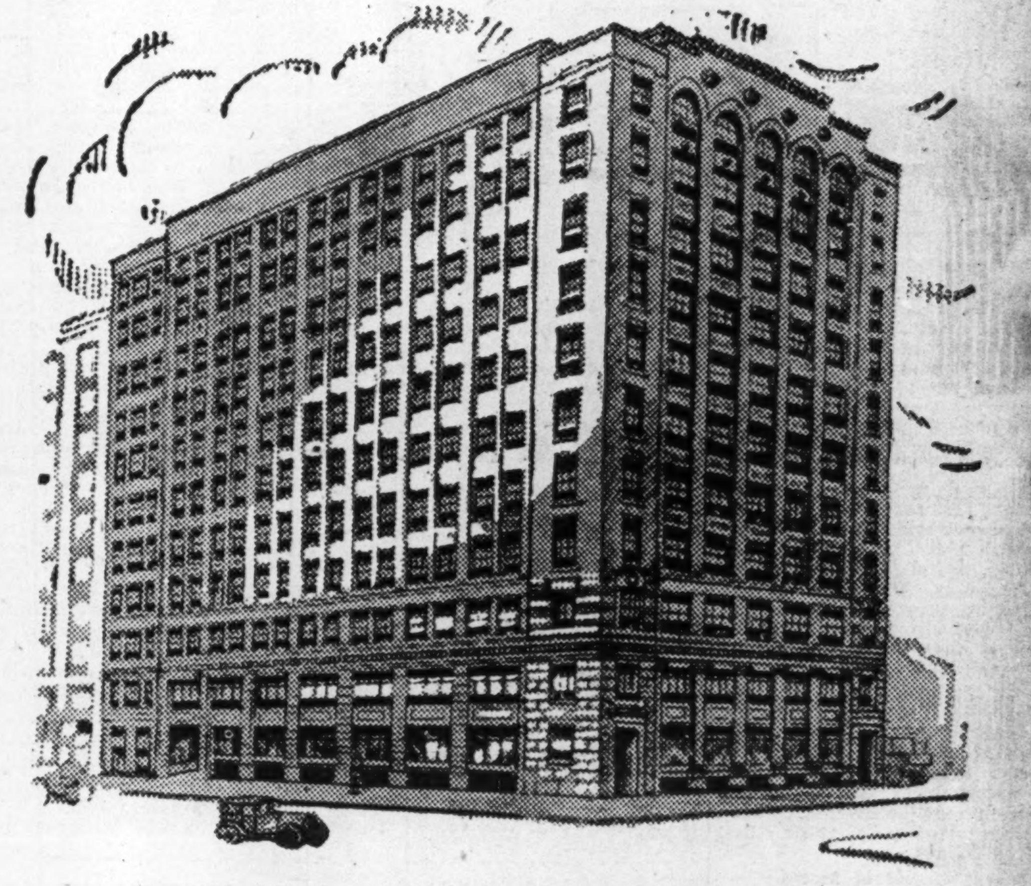
Corner of Mayor and St. Alexander Streets, Montreal

6½% First Closed Mortgage 15-Year Sinking Fund Gold Bonds

DATED MAY 1ST, 1927. DUE MAY 1ST, 1942.

DENOMINATIONS: $1,000, $500 and $100

Interest payable semi-annually May 1st and November 1st. Principal and interest payable in gold coin at the Bank of Montreal in Montreal, Toronto, Ottawa, Hamilton or London. Registerable as to principal only. Redeemable in whole or in part on any interest date at 105 and interest to May 1, 1932, the premium decreasing by ½ of 1% yearly thereafter until reduced to 2%.



A Modern 11-Storey Building in the Heart of Montreal

The Mayor Building is a modern, fireproof, 11-storey and basement, office and light manufacturing building in the heart of Montreal, one block north of the busy retail district on St. Catherine Street. Facing the grounds of St. James United Church and located on a corner, it is assured of abundance of light and air, and is specially designed and ideally located to serve the needs of the clothing trades.

Appraised Value of Property....$1,138,600
Amount of This Issue.... 650,000

These bonds constitute, therefore, a 57% loan. Net revenue estimated in excess of twice interest requirements on this issue, after allowing vacancies of 10%.

Sinking fund sufficient to retire 61.5% of the issue by maturity.

SECURITY: These bonds will be secured by a first closed mortgage and hypothec on 13,900 sq. ft. of land at the corner of St. Alexander and Mayor Streets, in the City of Montreal, and an 11-storey, modern, fireproof, office and loft building being erected thereon, and also by a first floating charge on the net revenues of the company.

LOCATION: The location, with a frontage of 85 ft. 6 in. on St. Alexander Street and 171 ft. on Mayor Street, is in the heart of the clothing trades district of Montreal, one block north of the main shopping district on St. Catherine Street, and one block west of Bleury Street. It is only two blocks distant from Morgan's and four blocks from Eaton's. The building is ideally located to serve the needs of the clothing industry, whose demands for space are constantly increasing.

VALUATION: National Trust Co., Limited, Montreal, has valued the land at $250,000, and Carswell Construction Co., Limited, Toronto, the building at $888,600—a total of $1,138,600. The first mortgage bond issue is only 57.09% of these valuations.

EARNINGS: The Cradock Simpson Co., Montreal, estimate gross annual rentals of $131,779, to which is to be added the owners' estimate of $10,000 received from incidental concessions and privileges. Deducting from this $40,000 for operating expenses and maintenance, and allowing 10% of the gross rentals for vacancies, the net annual earnings amount to $88,601, or 2.09 times interest requirements on this issue.

SINKING FUND: Monthly sinking fund payments sufficient to retire 61.5% of the bonds by maturity are provided for.

BORROWING CORPORATION: The company is under the direction of outstanding business men and is controlled by the Dawes family, prominent for generations in the business life of Montreal.
The directors are: A. Sidney Dawes, *President;* Errol M. McDougall, K.C., *Vice-President;* Norman J. Dawes, E. C. Cumberland and T. G. McLaurin.

CONSTRUCTION: The building is being erected by Atlas Construction Company, Limited, who have been contractors for some of the finest and largest office buildings, factories and public works in Canada.

INSURANCE: Fire insurance to the full insurable value of the property, use and occupancy insurance, insurance of profits and rentals and a surety bond in the sum of $300,000 to assure the completion of the building free from liens and in substantial accordance with the specifications have been taken out for the protection of the bondholders.

LEGAL OPINION: This issue is subject to the favorable legal opinion of Brown, Montgomery & McMichael, for the underwriters, and of McGibbon, Mitchell, Casgrain, McDougall & Stairs, for the company.

We recommend these bonds for conservative investment.

PRICE: 100 and accrued interest, yielding 6½ per cent.

McLEOD, YOUNG, WEIR & CO., LIMITED
Metropolitan Building
MONTREAL OTTAWA TORONTO HAMILTON LONDON

The statements contained herein are based on information we believe to be reliable, and on which we acted in purchasing these bonds, although we do not guarantee their accuracy.

Canadian Mining Properties

Kamiskotia Beckons!

"Although gold was discovered in the Kamiskotia as far back as 1913 and some little amount of work done with more or less non-important results, it was not until the Fall of 1926 that the importance of the area as a potential copper, zinc, gold producer became apparent.

"In the Fall of that year Hollinger Consolidated Gold Mines took an option on several groups of claims in the area and started active exploration. The values obtained from diamond drilling indicated an extensive deposit. These values were such that they warranted the Hollinger building a power line from Timmins to the property, installing a complete mining plant, cutting a good wagon road from the property to Kamiskotia Landing—in general making such installations and preparations as are necessary to an extensive mining programme.

"In addition to the work now under way by the Hollinger, numerous other financially strong companies have taken up ground in the various Kamiskotia Townships and are actively engaged in exploring same.

"The whole Kamiskotia area is just beginning to be recognized as an important field."—Douglas A. Mutch, Haileybury, June 8, 1927.

Bought and Sold

Special reports on all camps

Particular information at this time on Kamiskotia and Rouyn districts

Isbell, Logan & Co.
190 St. James St.
MONTREAL

Eastern and Western Spokesmen Drawing Closer Together Now

(Continued from page 1)

and selfish policies will be put forward, but they must be repudiated by those who have authority to speak for an association such as C.M.A, if it is to wield the influence it should with the Canadian people.

In his excellent address at the closing banquet of the convention, J. H. Woods, editor of the Calgary Herald, referred to the unpopularity of manufacturers in Western Canada a few years ago. Amidst a very tense silence he said, "If you will permit me to say so, it was your own fault. Some of your members made extreme and exaggerated statements which I am sure did not represent your attitude at all."

Mr. Woods made a plea for compromise and tolerance on the part of all the units in Canadian life. He said: "There is no machinery or formula for Canadian unity. The spirit of compromise and sacrifice alone can accomplish that end.

"There is no use for us in the West thinking that the tariff can be wholly advantageous for all and there is equally no use for the East to think that they have a vested interest in Western Canada. There is no vested interest in the manhood and womanhood which, as a matter of fact, made both the East and the West of Canada."

Speaking of the relationship between Western agricultural and the Canadian Manufacturers Association in respect to the tariff, Mr Woods said, "The tariff, as a tariff, is not such a great barrier between us as it is generally thought to be. Unfortunately in many people's minds the Canadian Manufacturers Association has become identified with a protective tariff."

Many Industrial Leaders Absent

The business sessions were, for the most part, well attended. The delegates were representative of the various sections of the country and the different classes of industry. There was a noticeable absence, however, of the big industrial leaders. I doubt if there were half a dozen of the hundred largest industrial concerns who were represented by their chief executive officer.

The programme itself was not one to attract these busy men. The reading of lengthy reports is a matter of routine which is tedious and of questionable value. Shorter reports and more discussion would, I believe, be more productive of results.

The C.M.A. only meets in the West every five or six years. Surely it would have been worth while putting on the programme addresses from some of the big executives and industrial leaders on some broad, national questions which would indicate clearly to the people of the West that manufacturers in Canada are concerned not merely with their own private interests, but with such questions as research, export trade, value of home markets, co-operative marketing, banking, etc. More big men on the programme would have attracted more big men to the convention.

In mapping out a programme for a convention of such widespread interest as C.M.A., it is wise to consider not merely the immediate audience but the large body of people who will be reached through press reports.

Personal Contact Important

The West has never been sold on the value to the country as a whole of a protective tariff. There are still many who believe that manufacturers want a tariff to build up the East at the expense of the West. The presence of a greater number of the biggest and best known industrialists on a trip of this kind would indicate a desire on their part to understand the problems of the West and to get at first-hand a grasp of Western conditions, and could not fail to assist in securing that co-operation in matters of legislation which is so greatly to be desired. Nothing can take the place of personal contact to build up the necessary understanding and good-will between industrialism and agriculture.

This is an important piece of work and cannot be entirely delegated by the chief executives of the big companies to other members of their staff, or to the permanent officials of the association.

Increase in Fees Approved

Membership dues were increased on a basis that will provide an additional revenue of about $45,000 per year. Governments are continually calling on organizations, such as the C.M.A., to supply data regarding matters in which their members are interested. Wherever possible, governments prefer to deal with organizations rather than with individual firms.

The new Tariff Board, at Ottawa, which has a long list of applications for hearings before it, will throw an increased amount of work on the officials of the C.M.A. It is highly important that the case for the manufacturers should be presented fairly, and this will require a large amount of investigation and research work.

This Tariff Board gives manufacturers a splendid opportunity of presenting their case to the public, but if they fail to take advantage of it and do not prepare their case properly, it will become a detriment rather than an advantage.

I do not think there will be much objection among members to the increase in fees which has been put into effect, or even for a greater increase provided the money is wisely used.

There is one danger, however, which must be avoided: The association must not become too aggressive; it must not use the increased fees to "fight" other interests. There are a few members who would like to see the fees doubled or trebled and an aggressive campaign carried on in a "ruthless and relentless" way. This would merely tend to stir up bitterness and bring about retaliation on the part of other organizations.

The C.M.A. must, above everything else, create the impression in the minds of the public that they do not want special favors, but merely desire to see in effect that policy which will work out in the best interests of the people as a whole.

Sectional Divisions of Work

The C.M.A. has of late years subdivided its work along geographical and also class lines. Branch offices have been established in the East, in the West, in Quebec and Ontario. This has served to keep members in touch with the work of the head office.

The subdivision along class lines, however, has brought very definite problems and difficulties. Manufacturers have felt the necessity of divisions or associations which would bring together groups of firms in similar lines of business. This enables these groups of firms to grapple with definite problems, but it also brings to the surface divergent interests of some of the members.

These groups will have their own organization either within or without the C.M.A. It will require very able leadership to hold these organizations together, and to convince each industry that their interests are being properly looked after and not sacrificed to some other division.

The difficulties nearly all spring from the fact that the raw material for some manufacturers is the finished product for others.

There are some who feel that because of the divergent interests of the members of the C.M.A., this organization should deal only with broad, general policies, that they should leave the specialized work of the various classes of industry to separate organizations. There are others, however, and they were greatly in the majority at the convention, who believe that the C.M.A. should handle these specialized problems and that wise leadership on the part of the central organization will be effective in straightening out and eliminating practically all the difficulties.

Leadership is Determining Factor

The whole question of the future influence of the C.M.A. seems to come down pretty well to this matter of leadership. The growth of the association and the interests it represents make the office of president much more onerous to-day than at any previous time. Labor, agriculture and other classes are strongly organized and it becomes very important, therefore, that the manufacturers should have wise leadership, not for the purpose of fighting these organizations but to work with them.

T. R. Deacon, of Manitoba Bridge and Iron Works, Winnipeg, who has been in the West for over forty years, struck a high note in his declaration at one of the sessions that there had never been presented such an opportunity as the present for bringing the whole country together and for promoting united action. In each of the three prairie provinces the prime minister is a young man and each has expressed himself along broad, national lines. These men can only go as far or as fast as the voters in their provinces will permit them to go. Wise leadership on the part of the Canadian Manufacturers Association will strengthen their hands and enable them to find the common ground with the manufacturers on which they can work together.

Open at Arvida

Bank of Montreal has opened a branch at Arvida, P. Q., under the management of R. N. Hadow.

Dividends Declared

Company	Rate	Date	Record
C. P. R.	2½%	June 30	June 1
Can. Westinghouse	30%	June 20	May 20
Page Hersey	75c.	July 1	June 18
Do., pref.	1¾%	July 1	June 18
Tuckett Tob., com.	1%	July 15	June 30
Do., pref.	1¾%	July 15	June 30
Jamaica Pub. Ser. p.	$1.75	July 2	June 15
Mackay, com.	1¼	July 1	June 4
Do., pref.	1%	July 1	June 4
Can. Permanent	3%	July 2	June 15
Canada Landed	2½%	July 2	June 15
Bk. of N. Scotia	4%	July 2	June 15
Belgo. Can. Paper, pref.	1¾%	July 2	June 3
Do., com.	1½%	July 12	June 30
Dom. Glass, com.	1¾q*	July 2	June 15
Do., pref.	1¾q	July 2	June 15
South. Can. Pr.	1%	July 15	June 30
Wabasso Cot.	$1+50*	July 2	June 30
Huron & Erie M.	1¾%	July 2	June 15
Canada Trust	5%	July 2	June 15
Bell Telephone	2%	July 15	June 23
H. Smith Pa. pr.	2%	July 11	June 30
Landed Banking	5%	July 2	June 15
Dom. Bank	3%	July 4	June 30
Nat. Brew., com.	$1	July 1	June 15
Do., pref.	1¾%	July 1	June 15
St. Maur. V. pfd.	1¾%	July 2	June 15
Sher. Will., com.	1½%	June 30	June 15
Do., pref.	1¾%	June 30	June 15
Dom. Stores	60c	July 1	June 15
Duluth-Sup., com.	$1	July 1	June 13
Nor. Mexico Pr., com.	1%	June 30	June 15
Do., pref.	1¾%	June 30	June 15
Toronto Mtge.	2½%	July 1	June 15
Twin City, com.	$1	July 1	June 13
Do., pref.	$1.75	July 1	June 13
Pacific Burt, com.	1½%	July 2	June 15
Do., pref.	1¾%	July 2	June 15
Pacific (Coyle) Nav.	1¾%	....	......
Brazilian Tr., pref.	1½%	July 1	June 15
Hunts, Ltd., pref.	2¼%†	July 1	June 15
Central Can. Loan	3%	July 4	June 15
Muskoka Lakes Nav.	6%	Aug. 1	July 1
Can. Steam., pref.	1½%	July 2	June 15
National Trust	3%	July 2	June 20
Ontario Loan	3%	July 2	June 15
Toronto Gen. Trusts	3%	July 1	June 15
Shawinigan W. & Pr.	50c	July 11	June 24
Barcelona Pr., com.	1%	June 30	June 21
Do., pref.	1¾+1%	June 30	June 21
Cons. Smelters	5%+$5*	July 15	June 30
Laura Secord, pref.	1¾%	June 30	June 15
Winnipeg Elec., pf.	1¾%	July 1	June 6
Building Prod., pf.	1¾%	June 30	June 15
Inter. Nickel	50c	June 30	June 16
Ott. Mont. Pr., pf.	1¾%	July 15	June 30
McKinnon Ind., pf...	1¾%	July 1	June 15
Can. Gen. Elec., pref.	1¾%	July 1	June 15
Can. Loco., pref.	1¾%	July 1	June 20
Eastern Trust	2%	July 2	....
Alta Pac. Grain, pref.	1¾%	July 1	June 15
Ottawa L. & P., com.	1½%	July 1	June 15
Do., pref.	1⅝%	July 1	June 15
Mutual Finance, pref.	4%	July 15	June 20
Dom. Textile, com.	$1.25	July 2	June 15
Do., pref.	1¾%	July 15	June 30
Inter. Paper, pref.	1¾%	July 15	July 1
South. Can. Pr., pref.	1½%	July 15	June 25
Do., pref.	1½%	July 15	July 1
Power Corp., pref.	1½%	July 15	June 30
Can. Nor. Pr., pref.	1¾%	July 15	June 30
Nor. Ont. L. & P.	3%	July 25	June 30
Mont. Finance, pref.	4%	June 30	June 1
Quebec Power	1¾%	July 11	June 24
Ottawa Traction	1%	July 2	June 15
Mining Corp.	12½c	July 15	June 28
Dom. Power, pref.	1¾%	July 2	June 17
Laurentide	1½%	July 1	June 24
Can. Salt	2%	July 1	June 24
Pressed Metals	75c	July 15	June 25
North. Star Oil, pref.	1¾%	July 4	June 15
Can. Car. & Fd., pf.	1¾%	July 9	June 25
Premier Gold	8c	July 5	June 14
Caanda Bread, 1st pfd.	1¾%	July 1	June 15
Do., "B" pref.	1¾%	July 2	June 15
Goodyear Tire, pref.	1¾%	July 2	June 15
Brewers & Dist.	2½%	July 15	June 30
City Dairy, com.	75c	July 1	June 18
Do., pref.	1¾%	July 1	June 18
Eastern Theatres, pfd.	3½%	July 30	June 30
Monarch Mort, com.	5c	July 15	June 30
Do., pref.	4%	July 15	June 30

LONDON REALTY BUILDING

Rapid progress is being made with the construction of the 8-storey hotel which the company is erecting at the corner of Dundas and Wellington streets, London, Ontario. Reports indicate that the building will be substantially completed by about June 18th. It is to be equipped and ready for occupancy by about August 1st next.

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ONTARIO

IN variety of climate, natural resources and physical conformation, Ontario is one of the world's choicest regions. Every agricultural product common to the temperate regions of the earth can be produced successfully within its borders, and in addition, it has resources of minerals, forests, water powers and navigation which have already carried it far in manufacturing progress and which presage an industrial future of illimitable expansion.

Agriculture ▾ Of 56,000,000 acres suitable for agriculture, field crops in 1926 covered 10,434,401 acres and produced crops of the value of $261,264,000. Dairy products have an annual value of around $95,000,000. About 216,000 acres are covered by orchards, small fruits and market gardens and vineyards with an investment of over $80,000,000.

Water Powers ▾ The water power resources of Ontario are tremendous, and, in the development of Niagara power and others, has set the pace for the world in hydro-electric expansion.

The water powers developed total close to 2,000,000 h.p. and there is an additional 6,800,000 h.p. undeveloped.

Minerals ▾ Ontario leads every other State or Province on the Continent in gold production and produces 80% of the world's supply of nickel. It has wonderful silver mines and a variety of other minerals. Of gold alone, this Province is now producing over $35,000,000 per annum.

Forests ▾ The area of forest land is estimated at 260,000 square miles and Ontario shares with Quebec the distinction of being one of the world's largest newsprint producers.

Industry ▾ There are over 9,400 manufacturing establishments, with invested capital of $1,800,000,000, an annual production of over $1,400,000,000 and a pay-roll of around $300,000,000 annually.

The development of hydro-electric power has hastened the industrial potentialities of Ontario. The Northern Electric Company is contributing to this industrial expansion by supplying much of the electrical equipment necessary.

Northern Electric
COMPANY LIMITED

Equipment for the transmission of Sound and Power

Information

This announcement appears in the press throughout Canada this month. An outline of Quebec's contributions to the national wealth and resources will be published during July.

1867 ▾ CANADA ▾ 1927

227

FIRST OFFERING

Kamiskotia-Rouyn Syndicate
LIMITED

5,000 SHARES ONLY at PAR — $10.00 each
Subject to prior sale

This company owns 70 claims in the Kamiskotia and Rouyn Copper-Gold areas of Ontario and Quebec, approximately 2,940 acres, on which important discoveries have been made.

The Syndicate will explore and prove up these holdings.

It is the intention of the Syndicate to incorporate a development company under the same or similar name to operate these properties and the proposed PRO-RATA Division of stock (of the company to be incorporated) amongst the HOLDERS of Syndicate shares is to be in the Proportion of 40 to 1.

The Syndicate reserves the right to accept part or all of any subscription.

Fill out and mail to-day

Maps and Prospectus on request.
KAMISKOTIA-ROUYN SYNDICATE LIMITED,
180 St. James Street, Montreal

SUBSCRIPTION FORM
KAMISKOTIA-ROUYN SYNDICATE
LIMITED
180 St. James Street, Montreal

I / We hereby subscribe for ....shares of Kamiskotia-Rouyn Syndicate Limited stock at Par—$10.00 each, and request you to allot me the above number of shares, same to be registered in my name.

Cheque, Draft or Money Order attached—
Amount
$ ....

Name ....
Street No. ....
City or Town ....
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TORONTO, JUNE 17, 1927

WHAT RESEARCH DOES

A PRACTICAL recognition of the value of scientific research in industry is given in the publication by the United States government of a catalogue of research and testing laboratories in that country.

In the United States the National Bureau of Standards makes tests and carries out investigations for other government departments. Because of the large amount of this official work, it is impracticable for the bureau to make tests for private individuals if other laboratories can do the work. To inform interested persons of the location of other laboratories, the bureau has compiled a list of the 207 commercial testing laboratories throughout the country, together with indications of the types of commodities which they are prepared to test.

To accompany the list of commercial testing laboratories there has been compiled a list of 143 colleges which are used not only for the purposes of instruction, but also to a considerable extent for research work. In fact, many important industrial research problems are being solved in the college laboratories.

Canada has no national bureau of standards, taking the lead in co-ordinating research work in the Dominion. We need such a bureau, financed chiefly, but not entirely, by the Dominion government. When industry makes its needs in this regard known, it will get what it wants.

It will be necessary for private business organizations to carry on work in their own fields. Many American companies have research departments. When Armour and Company announced their new department of research, the other day, F. Edson White, president of the company, made a striking pronouncement upon the value of science in industry. He said:

> "Business is taking on a more scientific aspect day by day. Research work is developing new and better methods and making possible better products. Many leading corporations have organized research departments and given to them broad latitude of action. There is nothing mysterious about the research work we plan to do. The work will be to dig out essential facts relating to the conduct of our business. At first we shall probably take up market research which has been going on spasmodically for some time past and seek to co-ordinate it so that the company may have the benefit of the research in progress.
>
> "As a result of the work already being done and that which we will inaugurate, we expect to learn a great deal more than we now know about the prospective supplies of live-stock and about price trends of our most important products, possible new markets, the wisdom of handling various products which we now handle through choice, and the capabilities of salesmen. We shall also study and analyze the weak spots in our business for the purpose of making constructive plans for their improvement.
>
> "Getting more facts about these matters than we now have will enable better planning, and our experience with the budget is conclusive as to the benefits of planning. A budget is merely a plan. We have made budgets effective in planning salaries, expenses and sales, and we have come to the definite conclusion that there is no department of our business which need operate without a well thought out plan. Plans have to be based on full and complete knowledge and the research department will seek to be constructive and helpful in supplying facts and in helping to make plans."

This is very powerful evidence of the need for research, coming as it does from an outstanding figure in an industry that is regarded as already having utilized commercially every part of the pig except the squeal.

Scientific research adds to farm wealth as well as to industrial wealth. Canada has had ample evidence of that of which the most striking piece of proof has been supplied by the developments of new and better wheats. But there are boundless fields to conquer. We are, for instance, only dabbling as yet in the utilization of straw, of which millions of tons are burned annually on the prairies. An example of what might be done to eliminate this fearful waste is seen in a small plant operated by a Minnesota man who produces disinfectants, paints, roofing and other chemical products from straw and who finds that one ton of oat and wheat straw produces 1,600 pounds of new, useful chemical products worth at least $250. Farmers selling to this plant now get for their straw alone more than they formerly got from their grain. Research work will speed the day when the farmers in Canada's West will gain a revenue for their straw.

STILL A FIASCO

EXCEPTION is taken by the Saskatoon Star to an article which appeared in The Financial Post, headed "Immigration Year May Prove Fiasco," which first drew public attention to the fact that the movement of settlers from the other side to Canada was not working out satisfactorily. The statement was made that the government had put into effect a temporary ban on further immigration of those people unable to provide for themselves until the labor situation in the West became normal. It was also pointed out that the steamship companies would lose heavily by the disruption of their service.

The Star believes that the government action was wholly justified and then goes on to say that "during the past month or two many hundreds of central Europeans have come into the West without funds or experience in work with farm machinery and horses. Some of these people were left to shift for themselves at prairie railway stations, no provision having been made for their employment."

This lends weight to the stand we have always taken, namely, that due to lack of a clear-cut policy, the Immigration Department has blundered along from year to year making impossible the carrying out of a systematic program of peopling the vacant lands of both Eastern and Western Canada. The department has shown no desire to co-operate with other agencies interested in this work and has gone ahead in its own sublime way without regard to the needs of the country.

It has entered into an agreement with the railway colonization departments, whereby they will be responsible for bringing settlers to Canada for the next two or three years, seeing that they are given employment and providing a certain amount of after-care. It was a cardinal mistake in the first instance to have entered into this agreement without providing measures for a regulated flow of immigration. It is absolutely impossible to keep a check on 50,000 or 75,000 people to see that they are engaging in agricultural pursuits and that they are making a success of their work. Moreover, Canada is not in a position to absorb large numbers of newcomers, especially industrial workers. To dump several thousand pseudo farmers in urban centres across the country, who have no intention of taking up farm work, is going to, and has, caused much confusion.

As we have pointed out, control of immigration should rest with a board of independent commissioners, independent of political pressure or association with any organization interested in immigration from a monetary standpoint. Until this is done, we cannot expect to see the vexatious problem of immigration handled on a sound and sane basis. We must curtail the powers of bureaucratic officials and keep profit-making agencies within bounds.

NOW OPENING BRANCHES

CANADIAN banks are now opening new branches more rapidly than they are closing unprofitable ones. The year 1927, it is apparent, will see a considerable gain in the banking facilities of the Dominion and there will likely be an increase of around 50 in the total of branch banks in the Dominion.

A few years ago a warning was being sounded by the more conservative banking leaders of the Dominion against the seemingly indiscriminate establishment of branch banks in Canada. Several of the banks—and not the strongest ones—were setting a merry pace in the opening up of new banks in the smaller centres of the Dominion. Their activities naturally tempted the more cautious banks to keep pace. Considerable duplication of banking services was effected in this way and in some towns that could barely justify a single bank, two or three banks were located, fighting among themselves for the small amount of business available. This was uneconomical and unsound. While competition is a necessary spur in banking, as in any other line of business, it is not wise that this competition should outreach bounds of reason. Yet it did that in 1920 and 1921.

Since that time, the number of branches of Canada's banks has declined by almost 1,000. Whereas there were 4,900 banks in Canada in September, 1921, there are to-day less than 4,000, and the figure is reasonably above the armistice total of 3,500. With prospects for continued good business in Canada admittedly excellent there is some justification for a moderate policy of opening new branches. It is to be hoped that the banks will continue the present tendency of opening branches in new centres at present unserved with accommodation rather than duplicating services in small centres.

The opening up of the natural resources of the north country has added many new names to banking registers and has made new branches necessary in communities that did not exist a few years ago. Pine Ridge, Noranda, Mistassini and Limoilou are names in the branch bank list that spell progress in Canada.

ONE SIDE SPEAKS

IN THE May issue of the Canadian Forum appeared an article by W. C. Good, a well known Canadian critic of our present economic and social systems, in which sundry shafts were let fly at the Canadian banking system. The editor of the Forum stated that the article would be followed by a reply to present the viewpoint of the orthodox banker.

Now the editor of the Forum is forced to present explanations to his readers. He has asked, he informs us, in his current issue, at the head offices of three of the large banks and at the headquarters of the Canadian Bankers Association for a reply to Mr. Good's critical article but instead of a reply he has received only courteous "regrets." The Forum editor asks:

> Are Mr. Good's arguments unanswerable, or would it be a breach of professional etiquette for a leading banker to allow himself to be drawn into vulgar controversy? Or is it that the position of the Canadian banks is so strong—so unassailable — that they can afford to treat all criticism with easy toleration?

Each one of the banking authorities approached to write the reply may have had—and no doubt did have—extremely good personal reasons for declining the task. Each one may have felt that his time was more important than the possible benefit of his article in the Forum. There are many possible reasons why Mr. Good's criticisms of the banking system went unanswered. Nevertheless it is unfortunate that the incident occurred, because it will be seized upon by radical writers as evidence that the banks do not care what the public thinks.

The Financial Post's editorial mail is swollen each day by dozens of letters, articles, and suggestions from propagandist sources. The press agent has become a stark nuisance. We do not suggest that the Canadian banks hire a press agent to feed "canned" editorials to the newspapers or to scan his daily press clippings and find where a reply is in order. But we do feel that they should be more active in keeping their story before the public continuously. This can be done in the public addresses of the bank leaders, by arranging replies to articles of attack when replies are politely sought, and in similar ways.

Whenever the bank act comes up for revision—every ten years—the banks find that public sentiment is not entirely with them. They are forced to do much propagandist work on short notice to get even justified appreciation of their very excellent work. One reason for this is that they do not give enough attention to educational work in the intervening years. Many of our banking leaders are inclined to blame the public rather than themselves when the public does not understand the merits of the Canadian banking system.

Canadian banking leaders will not bring criticism down upon their heads if they are more garrulous. They have an interesting story to tell, a story of genuine service in the upbuilding of Canada and they should seize every opportunity to tell it. The opposition never misses a chance.

MORE LIGHT

WE ARE a nation of optimists. We believe that in Canada we possess a heritage of incalculable wealth. We have, on occasion, broadcast this belief.

Millions of dollars have been spent in advertising the Dominion in the British Isles, the Continent and the United States, primarily for the purpose of attracting settlers and capital. This is good work; we need more of it.

One of the commonest methods of putting our message before the people of other countries is through the distribution of booklets and leaflets, prepared by government departments at Ottawa. With hardly an exception this type of propaganda has been "bullish" to a marked degree. The impression given to a reader of these booklets is that Canada is a land "flowing with milk and honey." This also is excellent. But we will gain much if we do not entirely overlook adverse factors. Canada offers many opportunities to the man who is willing to work, but the way to success in Western farming, for instance, is long and difficult. Government publications that fail to tell the whole story are not fair to the man we ask to come.

Those responsible for the dissemination of information about Canada should present both sides of the picture. We have a country of wonderful possibilities and do not need to gloss over any unfavorable features. We will make greater progress in exploiting our natural resources when we put before prospective settlers a true picture of the advantages and difficulties to be met with in the Dominion.

We want in Canada people who are willing to work hard to gain success. Such people want the exact truth, not a picture painted too rosy by advertising or painted too blue by some of Canada's knockers.

EDITORIAL NOTES

THIS is the color age. Typewriters are the latest to go in for color schemes.

• • •

THE Christian Science Monitor speaks of Lindbergh as "ambassador plane-potentiary."

• • •

LINDBERGH is the Prince of Wales of the United States. He now even sets the styles in sack coats.

An Englishman Looks on Canada

One Million People Could be Transferred from Britain to Canada if We Had Courage to Do It

By ANTHONY J. McMILLAN.

This is the second of three articles, written from London by Anthony J. McMillan. Mr. McMillan was born in Great Britain, but in his earlier days was for some years in Western Canada. About thirty years ago, Mr. McMillan was for a time chief representative of the Manitoba government in Eastern Canada—with headquarters in Toronto—and did much to direct the movement of emigration of that day from Ontario to Western Canada.

Later, he was appointed agent-general for Manitoba in Great Britain. For many years past, Mr. McMillan, who makes London his headquarters, has been associated with British financial interests.

Mr. McMillan is well acquainted with conditions in Great Britain and in Canada.

In the course of his last visit he toured Canada from the Atlantic to the Pacific and interviewed everybody of outstanding importance, including the prime minister, railway presidents, bank chairmen and leading men in every branch of industrial and commercial activity.

When Mr. Bruce, the prime minister of Australia, was in London last winter attending the Imperial Conference, he said "The great problem of the empire is that of men, money, and markets." This is true of Great Britain as it is of Canada and Australia. Each country may view the problem from a different standpoint, but we are all in reality dependent upon each other.

To Canada the question of immigration is of vital importance and the realization of this by Canadians was impressed upon me during my several trips across the Dominion. In nearly every part of Canada, but particularly in the west, men said to me "We need more immigrants to come and help us build up the country, we do not want to remain as pioneers all our lives." There seemed to be a feeling of disappointment that so few settlers are arriving, and when the smallness of the population is compared with the extent of the country and the variety of its resources, one cannot help feeling that the disappointment is justified.

Below Pre-war Figures

Looking back to the period just before the war—the four years 1911 to 1914 inclusive, we find that Canada received over 1,450,000 immigrants, an average of 363,000 per year or 1,000 a day the year round. In 1926 the number of immigrants arriving in Canada amounted to about 136,000 made up of

British immigrants	49,000
United States immigrants .	21,000
Other countries immigrants .	66,000

One remembers, of course, that in the 1911-1914 period there was a large demand for labor in connection with railroad construction, a demand which does not exist to-day to any appreciable extent. But making all allowance for changed conditions, it seems to me that Canada can do far better than this. She certainly can get more immigrants from Great Britain if she needs them. As to this need I made special inquiries when in Canada, discussing the question of immigration with Mackenzie King, the prime minister, and other members of the cabinet, including Mr. Forke, the minister of immigration; also with the premiers of all the western provinces, and five or six dominion ex-cabinet ministers, who at different times have had charge of Canadian immigration matters. In addition I discussed the subject with the heads of the great railway companies, and with many other business men. Practically all agreed that a vigorous immigration policy is desirable and many stated emphatically that Canada can absorb far more settlers than she is getting at present.

Want More British Settlers

Most of the men I met, stated that they would like to see more British settlers coming to Canada. As most of the immigrants Canada is likely to get from across the Atlantic and especially from the British Isles are people who will have but little money, and will either want work, or will have to be settled under some colonization scheme to which the various governments, and the transportation companies concerned will be contributory parties, it is important to know how many immigrants of the kind referred to can be absorbed annually. Those with whom I discussed this phase of the immigration question, gave varying estimates, but it was generally accepted that Canada can easily absorb annually 250,000 settlers of the kind indicated.

One dominion ex-minister, who, when in office, had charge of immigration said 500,000 per annum could easily be taken care of. But take the lower figure and think what that would mean for Canada. In four years time a million new settlers, with all that this means in the way of increased production and larger demand for manufactured goods and transportation.

Solve Railway Problem

In Canada one hears a great deal about the heavy burdens imposed by the railroad situation.

The last time I saw Sir John Aird (president of the Canadian Bank of Commerce) I remember him saying "Give us a million more people in Canada, and the railway question is settled." If this diagnosis of the situation is correct, and I believe it is, the Canadian railway situation need not much longer remain the bugbear it has been for some years past. In Canada the population is 2½ to the square mile, in England it is about 700 to the square mile. Notwithstanding the criticisms of some of our friends in certain parts of Canada who are inclined to speak disparagingly of the Englishman, it must be admitted that there are some fine people amongst them, who, if they could be transferred to Canada, would make good settlers. Less than two years since three of the premiers in Western Canada were Englishmen.

England's Many Unemployed

In Great Britain we have about 1,500,000 wholly or partially unemployed, a condition of affairs which to a large extent is a legacy of the war. Among these there are many undesirables whom no one wants at home or abroad, but among the remainder there are large numbers of strong active men who are willing to work and only need an opportunity to get a new start in life, men who would make splendid settlers in a country like Canada. Obviously the majority of such men especially if married and with families cannot raise the $75 to $125 per head necessary to take them to Canada, and they must have the benefit of assisted passages. There are assisted passages to Canada, and an approved person can proceed from a British port to a Canadian port for less than it costs to travel from Glasgow to London. The rates from British ports to certain ports in Canada are as follows:

To Halifax, St. John or Quebec, $10, to Montreal $15; to Toronto $17.50; to Winnipeg $22.50, to Vancouver $40, and to other points in proportion. These low rates are made possible by contributions from the British and Canadian governments, and from the railway and steamship companies interested. Individuals willing to become domestic servants or household workers can get the benefit of these rates; as also can certain approved families, and single men who have had actual farming experience.

Not Many Farm Workers

Anyone who knows Great Britain, knows that farmers and farm laborers cannot be obtained in large numbers for Canada, or for any other country.

As a matter of fact the farmers of the United Kingdom have difficulty in securing sufficient men to work on the land, and if Canada made a vigorous effort to take men from these farms there would soon be created in the rural districts a strong anti-Canadian sentiment which would be harmful to the dominion.

In view of all this it would seem to be desirable under proper safeguard, to extend the benefit of these low rates to others who are physically fit and are willing to work on the land or in the woods. In most of the villages and smaller towns in Great Britain there are large numbers of men who though in many cases employed in workshops and factories, are by reason of their upbringing and surroundings quite familiar with the conditions of rural life. They cannot perhaps technically be described as agriculturals, but they are what might be called "handy men," just the kind needed in Canada. In the aggregate there are hundreds of thousands of such men who are willing to work, and anxious to improve their lot in life, and I venture to suggest that the Canadian authorities might with advantage seriously consider what can be done in this direction.

Obstacles That Stand in Way

There is a feeling amongst prominent Canadian and Anglo-Canadians whose business it is to study and deal with immigration questions, that quite unnecessary obstacles frequently stand in the way of intending British settlers, who wish to proceed to Canada under the various assisted schemes.

Last month I had a talk with Mr. Amery (secretary of state for the dominions) and I understood from him that when the other parties concerned are willing to do likewise, the British government will be prepared to make its pro-rata contribution to permit of an extension of the present low rates to individuals who are not at present entitled to benefit thereby. As Mr. Forke is now visiting this country, it is to be hoped something will be done to secure more British settlers for Canada.

Under the provisions of the Empire Settlement Act 1922, the British government is authorized to provide $15,000,000 per annum for 15 years, to enable it to co-operate in agreed schemes for assisting the migration of suitable persons in the United Kingdom, who intend to settle in any part of the empire. This money is provided more or less upon a fifty-fifty basis. What is known in Canada as the 3,000 families scheme is worked in connection with this fund. Australia and New Zealand have been very active in this matter, much more so than Canada.

In 1925 and 1926 the number of settlers sailing from Great Britain under the provisions of the Empire Settlement Act amounted to 105,662, of whom 75,131 went to Australia and New Zealand, and only 30,153 to Canada.

From a Canadian point of view the figures for the first three months of 1927 show an improvement, but they are still far from satisfactory. Bruce Walker, director of Canadian immigration work in London, recently stated that of 40,483 immigrants who had entered Canada in the first three months of 1927 only 40 per cent. were British and 60 per cent. were foreigners. Those who know Canada are well aware that many of the foreigners in the dominion make splendid settlers, but it is equally well known that this cannot be said of them all, and when it is remembered that the foreign born population of the three prairie provinces already far outnumbers the British born, one feels that this aspect of the immigration question demands serious consideration.

Flow to United States

When in Canada recently I was told a great deal about people leaving for the United States, and no doubt a considerable number are doing so each year. But these are not newly arrived immigrants. They are chiefly men and women born in Canada who are attracted to the States mainly by reason of the increasing demand for their services arising out of the operation of the quota system applied by the United States Government against Europeans but not against Canadians. We are told officially that many thousands of these people returned to Canada in 1926 and have in fact been returning for several years past.

When I was in Canada some time ago, President Beatty of the C.P.R., said to me "Immigration work to be successful should be carried out on a large scale and administered if possible on both sides of the Atlantic, by a commission of business men who would keep it outside party politics."

A senator from Western Canada who takes great interest in immigration questions was over here recently, and told me practically the same thing.

That Canada needs a large influx of immigrants, especially British immigrants, is generally admitted. That Great Britain is interested and anxious to do her part is shown by the fact that parliament has authorized $15,000,000 a year to be set apart as a fund for stimulating and assisting emigration to the dominions.

With an intimate knowledge of both countries I have no hesitation in saying that the transfer of 1,000,000 of carefully selected people from the United Kingdom to Canada would be a movement of inestimable value to both countries, and one cannot help feeling that if those in authority in Canada and in Great Britain have the will to set such a movement in motion, it can be carried to a successful conclusion.

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Current Revenue	1,504,825
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The City of Fort William is situated at the head of the Great Lakes, the world's largest inland waterways system. With the deep water frontage of twenty-six miles on three navigable rivers which intersect its boundaries, Fort William has a harbor suitable for all requirements of manufacturing, shipping and distribution activities. During the year of 1926, 325,000,000 bushels of grain were shipped by boat from the ports of the Twin Cities.

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"Gerry" Hanson Was and is "Good Gunner"

Lieutenant-Colonel Edwin Gerald Hanson, D.S.O., the newly-elected president of the Investment Bankers' Association of Canada, is a partner of the firm of Hanson Brothers and a son of Edwin Hanson, one of the original members of the investment house bearing his name.

E. G. Hanson, or "Gerry" Hanson as his friends know him, was born in Montreal in 1887 and obtained his early education at Abingdon School in that city.

In 1904 he first attended the Royal Military College. Graduating there, he took a course at Cornell University and in 1908 entered his father's firm where he remained until the outbreak of war in 1914.

Between August 1914 and 1915 he commanded the original 5th Battery, Second Brigade, Canadian Field Artillery. At the beginning of 1915 he was promoted from Major to Lieutenant-Colonel and from then until the end of the war was officer commanding the 13th Brigade Canadian Field Artillery. For his war services he was twice mentioned in despatches and was awarded the Distinguished Service Order.

Hanson passed through some hard tests in the war, not the least of which was the fact that those who served under him, both as officers and as gunners, were his friends. Despite the obvious handicaps of an association of this kind, his military subordinates all unite in declaring, to use an old army phrase, that he was a "—— of a good gunner."

After his return from overseas, Hanson became a member of his firm, and has always been very closely associated with the activities of the investment bankers on this continent. Not only is he president of the Canadian association, but he is secretary of the Canadian group of the Investment Bankers' Association of America.

R.M.C. has much to thank him for.

E. G. HANSON,
President, Investment Bankers' Association of Canada.

He has taken a great interest in the activities of the college and has been largely responsible for the success of the R.M.C. Club. Moreover, largely through his own personal activities, the Memorial Arch to the graduates of the college, who fell in the war, was erected at Kingston.

His friends say of "Gerry" Hanson that he is always to be depended upon; in his Investment Bankers' Association work he is to be found at all the meetings and those who have been associated with him realize that once he is given a job—be it large or small—there is no doubt about its being carried through to a successful conclusion.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published in this column. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply.

Industrial Alcohol

What is your opinion of the shares of the Canadian Industrial Alcohol Co.?

We believe that the stock of the Canadian Industrial Alcohol Company is a satisfactory business man's purchase. Earnings are increasing and our impression is that over a term of years there is every indication at present that the shares will appreciate in value.

Hayes Wheel

Would you be kind enough to give your opinion on Hayes Wheel seven per cent. preferred as an investment for $3,000 to $5,000?

The 7 per cent preferred of the Hayes Wheel Co. should be a satisfactory investment over a term of years.

The companies manufacturing parts for automobiles have become exceedingly prosperous since the last revision in the tariff which gives them additional drawbacks on customs duties.

DeForest Phonofilm

I would like very much to obtain your views of the shares of the DeForest Phonofilm Company of Canada as an investment.

De Forest Phonofilm Company's stock is not an investment—it is a speculation. Furthermore, should you desire to sell these shares, where would you find a market?

Generally speaking, it is our opinion that new inventions or new industrial enterprises should first of all be financed with private capital before offerings are made to the public.

Empire Life

Would you please give us your opinion as to the possibilities of Empire Life Insurance Stock? Would it be wise to dispose of this at the present price?

We would advise you to hold on to this stock, as we believe that it has splendid possibilities for appreciation in the next year or so.

The company is a young Canadian company which has made good strides in the past and is at present expanding with some considerable success in the Western provinces. We believe that the present market price of this stock is about $31 bid and very little offered. Only a few months ago this stock was $26 bid but since then the stock has become rather scarce and even an increase of some points in the bid price has failed to bring out very much stock.

Fort Erie Land

I would appreciate very much some information regarding the following:

Essex Lawn Cemetery, Windsor; and Waverly Heights, and Ainsley Heights, Fort Erie.

Some of my friends have invested in the Fort Erie properties, expecting almost fabulous dividends.

We do not think that any person should buy real estate, even in a cemetery, without personal investigation in advance. We have been told that investment in cemetery lots is a profitable speculation as a rule, but we would point out that there are differences in cemeteries, as well as in every other kind of real estate.

There is a boom in the vicinity of the Peace Bridge at Fort Erie, Ont. There are numerous sub-divisions, many of which will be long years in development. Waterfront property and property along the main highways may be of merit as real estate investment, but your friends who are investing in this property apparently have not investigated personally to determine just how far they are from the waterfront, how far they are from the Peace Bridge and how far they are from a good highway. Real estate should never be bought without a personal inspection.

Mackay Companies

I hold ten shares of Mackay Companies. Can you give me any information regarding the weakened position of the shares at the present time? I paid $138.

The future of the Mackay Companies is dependent largely on the competition which results from the development of the beam wireless system of inter-continental communication. Mr. Mackay himself expresses confidence that the new system will not militate against companies owning wire cables. The gradual fall in the value of the stock in this company, however, suggests that a large part of the public does not share the same confidence in the future. In view of this, it might be advisable for you to sell your stock at the current market quotation and later to repurchase if the situation turns for the better.

Page-Hersey Pfd.

I bought ten shares of Page Hersey preferred stock at par, and would market, at present, around 148 to 149. Should I exercise my option of changing this to the Common Stock, or do you still consider it advisable to hold? At the present time, it shows a very excellent profit, but I am at a loss to know whether to convert this or not, or whether I should take my profit at this time.

We cannot see that you would gain anything by converting your Page-Hersey preferred stock at the present price. There will be no purpose in converting this stock until such time as the dividends on the common stock are in excess of the dividends on the preferred. At the present time you are getting $7 for one share of preferred and if you convert, you will be getting $6.

From reliable sources we learn that the company is doing exceptionally well, and we think there will be a further advance in both the preferred and common shares. You have until 1934 to exercise your privilege of conversion. If the company calls the preferred stock before 1932 you have 90 days in which to convert to common.

Asbestos Corporation

Would you be good enough to give me some information on the common shares of the Asbestos Corporation, please? Do you think the shares will appreciate very soon? Is the corporation in a good financial condition and well managed? Have dividends ever been paid on the stock; if so, at what rate? What is the market record of the stock? If the common shares have no par value, at what price was the stock first issued? Has the corporation been in operation long? What was the outcome of the annual meeting? What is the outlook for the future?

No, we do not consider the common shares of the Asbestos Corporation a good purchase for an early appreciation — but we do consider them to be satisfactory long-hold proposition for a business man. The company is excellently managed and is in a good financial position.

No dividends have ever been paid on the common stock because the corporation only came into being about a year ago as a merger of a number of predecessor companies.

Since the corporation came into existence the price of its common stock has varied between 16½ and 24. The non-cumulative preferred has steadily appreciated from a price of $64, at which it first changed hands on the market, to around $88.

The common stock was never issued at any price. It was distributed to the holders of the shares of the predecessor companies which merged into the new Asbestos Corporation.

The present company has been in operation 15 months. There was no outcome to the annual meeting; the shareholders expressed themselves satisfied with the manner in which the company had been operated during its initial year.

We regard the common shares of the Asbestos Corporation as an excellent speculative investment for a business man who is willing to hold the stock over a period of years. The company operates under an able management which we believe will, over a term of years, be able to increase the earnings from the property. Thus we believe that ultimately there will be an appreciation in the common stock.

Sound Investment

Will you please give me your opinion of the following securities as investments for a small investor—

1. Canadian General Investment Trust, Ltd., common stock. 2. Investment Bond & Share Corporation, 20 year, 5% Gold Debentures, series "A", with attached warrant for shares of common stock.

Do you consider these safe investments and to which of the two would you give the preference?

Both the common stock of the Canadian General Investment Trust, Limited, and the 5 per cent. gold debentures, series A, of the Investment Bond and Share Corporation are well secured and safe investment. Of the two, however, you may find that the 5 per cent. gold debentures of the Investment Bond and Share Corporation are the more readily marketed.

There is this point to be considered in classifying the two securities, and that is, the Canadian General Investment Trust common stock has a greater chance of appreciation in value.

The essential difference between the two is that in one case you are buying the senior security and accepting a fixed return, and in the other, you are buying what will eventually be a junior security but are insuring for yourself a share in all future earnings.

Power Corporation

I own some common shares of the Power Corporation of Canada which I purchased at 27. I see that the shares are selling at about 43. I am just wondering whether or not this would be a favourable time to sell or possibly the future of the company is bright enough to warrant holding on, especially in view of the activity in the power situation.

The common stock of the Power Corporation of Canada has undoubtedly had a very marked appreciation, and perhaps there may come a reaction of a few points. Our opinion is that the stock looks a satisfactory hold for a business man who is willing to hold it over a term of years, though it seems a reasonable supposition that the stock may not make another rapid advance in the near future.

If you sold the stock now you might have an opportunity of buying it back at a few points lower. On the other hand, it is quite possible you would not be able to buy it back at a lower figure. Our opinion of the shares is the same as it has always been: the stock appears to be a good long hold purchase for a business man. The corporation and its subsidiaries are making progress and in our opinion will continue so to do. For a nondividend paying stock the price is undoubtedly high, but with the power stocks the purchasers seem more and more to be discounting future earnings.

On the other hand, if you purchased this stock with the idea of selling as soon as you made a profit, now looks to be an opportune time to sell. Apparently, dividends on the stock are some distance in the future and the shares could hardly sell at a much higher figure unless dividends be declared. In the meantime your belief in the corporation has been justified by the appreciation of the stock.

When Women Invest

Diversity Helps to Assure Stability; Views of a Woman Who Sells Securities to Women

By HELEN SPARLING, B.A.,
Manager, Women's Department,
McLeod, Young, Weir & Co.

It is interesting to look back over the past few years and note the trend of women's investments from the field of the time-honored mortgage and the solid Victory bond to corporation bonds, preferred and common stocks and mining stocks. At the moment, interest in industrial common stocks and mining stocks on the part of women investors all but eclipses that in the more stable types of securities. From this it looks as though we were apt to run to extremes, and possibly we are more inclined to be either ultra-cautious or ultra-speculative than the average man.

There are many women who still cling to government bonds and mortgages as being the only safe channels for investment and, on the other hand, there are many women who buy nothing but speculative securities. In the first case, from the point of view of income return, it would pay the over-conservative investor to make a study of corporation bonds and preferred stocks. In the second case, the speculator would do well to add to her list both government and corporation bonds for the sake of stability.

Investments Safer Now

Due to the downward trend of interest rates, which began in 1921, the conservative investor has turned to corporation bonds as a medium of investment affording a more attractive yield than that obtainable on government bonds, and at the same time a large measure of stability. In regard to stability, if the investor is careful to buy her corporation bonds only from a reputable bond house, the possibility of loss is small. The average investor has probably very little conception of the thoroughness of the investigation which an investment banking house makes before buying a corporation bond issue. The investment house of good standing is fully conscious of the position of trust which it occupies in relation to investors who accept its recommendations, and, in consequence, there have been relatively few casualties among industrial issues sponsored by reliable investment bankers—particularly in first mortgage bond issues.

As a matter of fact, industrial financing has been very much sounder since the war than prior to it. The reasons for this are fairly obvious. For instance, investment bankers are more experienced now than they were in prewar days. As a result, we find new issues nowadays carefully hedged about with protective provisions which were not thought of even so short a time ago as in the years immediately prior to the war. Sinking fund provisions on preferred stock issues are an example. In addition, industrial executives themselves are more conservative. They have seen the dangers of too rapid expansion without providing for the lean years by large reserves. Then, too, industries are now being financed on the basis of earnings, not after a period of prosperity but after a very trying period in which profits were not excessive. Therefore they are not capitalized too high. In glancing over the earnings of a company for the past five or six years one is seeing them at their worst. If the company has been able to stand the test of the readjustment period immediately following the war one can be reasonably sure of increased earnings in the era of better business conditions upon which we feel Canada has entered.

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Seventeen years of Mail Investment Service enable us to ensure all enquirers the personal attention of a staff of qualified experts. Put your investment problems up to them,

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also Mount Royal Hotel Building
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OTTAWA 46 Elgin Street
QUEBEC 80 St. Peter Street

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POST-Scripts

THE somewhat surprising revelation that Aimee Semple McPherson was a benefactor of the Canadian Government Merchant Marine and the Canadian paper industry was made to a party of members of the Canadian Manufacturers Association visiting Powell River following the Calgary convention.

At Powell River rolls of newsprint were being loaded into the Canadian Observer for San Francisco when the delegates arrived on S. S. Princess Adelaide.

It was remarked that the rolls were addressed to a San Francisco newspaper given to lusty proclamation of the more piquant of the world's news stories.

A Canadian Government Merchant Marine official, traveling with the party, smiled appreciatively and told the visitors that the line shipped special cargoes of paper to San Francisco shortly before and during the McPherson case, meeting the paper demands created by the evangelist—and her public.

The Accounting Department O.K's Long Distance

THE ideal transaction is one that can be cleaned up at once. Otherwise, it has to go into the "Pending File"—and the time cost of following up such delayed orders frequently robs them of the legitimate profit they should pay.

This difference in the time cost of handling orders sold by Long Distance is one of the reasons why the use of Long Distance is increasing so rapidly. Orders solicited by Long Distance come through "clean," because all the details can be settled with the customer before you hang up the receiver! There are no expensive delays.

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Character

When buying bonds for investment two factors should be taken into consideration—

FIRST—Property values, revenue producing powers and other tangible elements of security;

SECOND—The character and experience of the investment house which sponsors the issue.

Experienced investors everywhere recognize that the second factor is just as important as the first.

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MARKET TONE OF CANADIAN BONDS HOLDS UP WELL

Strength is Pronounced But Higher Prices Are Unlikely

No more striking example of the strength of the Canadian bond market and the easy money situation that exists in the Dominion and the high regard in which Canadian securities are held in the United States, can be found than that of the manner in which the recent issue of $65,000,000, 4½ per cent bonds of the Canadian National Railways, were taken up by the investing public. Within a short time after the award was made, orders started pouring in on the successful bidders and it is said that within twenty--four hours after the books were opened over $50,000,000 of the loan had been sold. Of this huge sum, nearly forty per cent was taken up in Canada.

Difficulty has been experienced in disposing of several important issues recently placed in New York and it was thought in some circles that a similar situation might arise in connection with the Canadian National issue. That such is not the case, is particularly noteworthy. Moreover, the disposal of such a large percentage of the total issue in such short time, was not the result of large orders from insurance, banks or other large investing institutions, but rather as the result of many small subscriptions under $10,000 received from individual investors, both in Canada and the United States.

U.S. Bond Market Hesitates

There has been some hesitation in the bond market of New York recently, prices showing a tendency to sag. High grade securities, with their low yields, have been unattractive and investors have been looking more and more to the better paying industrial securities. While there is not the same margin of security in some instances, the higher yield is more than enough to offset this drawback.

While bond prices in Canada have followed much the same trend as in the United States, demand for industrial, real estate and other high yielding bonds has not been so persistent although the price movement has been upward on all types. As compared with this time last year, average prices are higher, although in the United States the average price has dropped a point. The strength in the Canadian bond market, aside from the easy credit situation, may be attributed to the fact that despite the prolonged advance in stocks, there is available a surplus of capital which is finding its way into fixed interest-bearing securities.

Canadian Market Strong

Although an unusually large number of new and important bond issues, both municipal and corporate, have been made in Canada this year, the market does not appear to be suffering from over-production of new securities which have been offered to the investing public at peak prices. Bond prices have held up remarkably well in view of this situation and in commenting upon a similar situation across the line, the Wall Street Journal says:

"Deflationary tendencies which have been apparent in the United States for the past few years with a consistent accumulation of investment capital, pronounced ease in the money market and a dominant downward movement in commodity prices with a corresponding advance in the purchasing value of the dollar have sponsored rising prices for all fixed interest bearing securities. The reduction in interest rates and yields has not occurred without perceptible reactions, however, of which there will be further examples as the bond market moves into higher territory. There are factors of other than an economic nature to influence decided irregularity in price movements. One of these factors, currently operative, is an enormous volume of undistributed securities in banker's hands which at high offering levels have not proved attractive to investors."

Higher Prices Unlikely

Judging from previous trends in bond prices, it is likely that the present situation, namely, high prices on all classes of bonds, will continue for some time. It is improbable prices will go much higher, although there are present many factors favorable to such a course. The low point on yields from bonds was reached between 1902 and 1906, and at the present rate, that point would again be reached within a very short time. There is, of course, no reason why bond prices should not advance to a point corresponding to that in vogue 22 years ago, but in view of the attractiveness of the stock market and the plethora of new corporate issues with relatively high yields, investors will not be inclined to put their money in securities paying a fixed rate of interest below that which can be had in other markets.

CARLING STOCK QUICKLY OVERSOLD

High Earning Power of Company Attracts the Investors

Public offering of 100,000 shares of Carling Breweries, Ltd., made by Doherty-Easson Co., was quickly oversubscribed. At a subscription price of $27 a share, the stock made an instant appeal to investors, not only because of the indicated high earning power of the company but because of the announcement that it is the intention of directors to inaugurate dividends at the rate of $2. per share per annum, payable 50 cents quarterly, the first dividend to be payable October 1st, 1927.

Carling Breweries, Ltd., has no bonds and no preferred stock, the only capital obligation being no par value common stock, of which 200,000 shares are authorized and 160,000 shares issued.

The company was incorporated early this month to acquire as a going concern the assets of the Carling Export Brewing and Malting Co., Ltd., of London, Ont. Established in 1840, a new plant was erected in 1882 and this plant was thoroughly renovated in 1923, while in 1926 capacity was practically doubled. It has a brewing capacity of 1,200 barrels per day and bottling and shipping capacity of 16,000 to 18,000 cases per day.

The company has established an enviable reputation for its products, for which a nation wide trade exists. The former management will be maintained.

It is the opinion of the management that the volume of business over the ensuing 12 months should be at least 1,500,000 cases, in which event, on the basis of production costs shown, the net profits to the company should be in excess of $750,000.

It is the intention of the company to make application to list the shares on the unlisted department of the Toronto Stock Exchange and on the Montreal Curb market.

Details of the issue follow:

100,000 Shares
Carling Breweries, Limited

History—Incorporated June, 1927, for purpose of acquiring as going concern the plants, business, trade marks, trade names, goodwill, etc., of the Carling Export Brewing and Malting Co., of London, Ont.

Properties—Plant is modern and complete in every detail. It has a brewing capacity of 1,200 barrels a day and a bottling and shipping capacity of 16,000 to 18,000 cases per day with ample storage facilities.

Products—The company has an enviable reputation for the quality of its products with a well-established trade throughout Canada.

Management—Present management are under contract for three years.

Production Costs—Manufacturing costs are less than $1.75 a case for malt beer and $2 a case for rice beer.

Earnings—For ensuing year volume of business is estimated at 1,500,000 cases, in which event net profits should be in excess of $750,000.

Capital—No par value common stock, authorized, 200,000; issued 160,000. No bonds, no preferred stock.

Listing—It is the intention to list stock in the unlisted department of the Toronto Stock Exchange and on the Montreal Curb Market.

Offered—Doherty-Easson and Co., at a price of $27 a share.

The population of Rouyn has doubled in the past year, according to Hon. J. E. Perrault, Minister of Colonization, Mines and Fisheries.

Investment Market News

INTERNATIONAL PREFERRED SOLD AT $99 A SHARE

$15,000,000 of 7 Per Cent. Preferred Stock of Big Paper Producer Sold

From Our Own Correspondent.

MONTREAL. — The investment house of Drury and Company heads the syndicate which is making the Canadian offering of $15,000,000, 7 per cent., preferred shares of the International Paper Company. The offering price is $99 per share.

With this new financing the company will have outstanding $47,640,300 7 per cent. preferred shares. Ranking senior to the issue the consolidated balance sheet of the company shows that the funded debt totals $72,154,247 excluding the bond issues of the Gatineau Power Company.

The earnings of the International Paper averaged over the last ten years after all charges including depreciation have amounted to $3,250,000 annually. The earnings of the company for the twelve month period ending April 30 last, after all charges, have increased to over $5,000,000 — equivalent to about $10 per share on the total issue of 7 per cent. preferred now outstanding.

The present financing will be used in part to acquire 160,500 shares of the New England Power Association so that earnings from these securities will be included in the company's profits for the future. Thus those making the issue of shares estimate that earnings during the next twelve months from this and other sources will increase until they will at least be equal to twice the preferred dividend requirements.

Will Acquire Company

The shares of the New England Power Association which are to be acquired will make the International Paper Company the owner of 30 per cent. of the common stock of that organization. The financing is also being undertaken to provide funds for the acquisition of the Louisiana Pulp and Paper Company.

The International Paper now has in operation and under construction water power plants which can produce 700,000 h.p. The water power sites which are owned outright give the company an ultimate potential water power development of over 1,500,000 h.p. The company's timber holdings cover over 13,500,000 acres; they are estimated to contain more than 51,700,000 cords of pulpwood.

The company owns and operates 23 pulp and paper mills and is the largest paper producer in the world.

The particulars of the preferred share issue follow:

$15,000,000 International Paper Company. Cumulative preferred stock of $100 par value.

The Company: The largest manufacturer of paper in the world.

Power Properties: Will shortly produce 700,000 h.p. Sites are capable of developing 1,500,000 h.p.

Capitalization:

Funded Debt	$72,154,247
7% Preferred	$47,640,300
6% Preferred	$ 2,652,000
Common (N.P.V.) ..	1,000,000 shares

Earnings: For past year after all charges of every kind equal to approximately $10 per share on the 7 per cent. preferred. Estimated that earnings in the next twelve months will be equal to twice 7 per cent. preferred dividend requirements.

Purpose of Issue: To acquire the Louisiana Pulp and Paper Company and to purchase 160,500 common shares of the New England Power Association.

Security: Assets available to the 7 per cent. preferred amount to more than $250 per share.

Offered: June, 1927 at $99 per share by a syndicate headed by Drury and Co.

Sobie Silk Shops Sell 5,000 Preferred Shares

From Our Own Correspondent.

MONTREAL—The firm of Johnston and Ward are offering publicly 5,000 shares of 7 per cent. cumulative preferred stock of the Sobie Silk Shops, Limited; the shares have a par value of $25 and carry a bonus of common stock.

The company operates a chain of stores from Montreal to Vancouver, which handle exclusively women's silk garments. It manufactures, with the exception of silk hosiery, practically all the goods which it sells.

The particulars of the issue follow:

5,000 Shares
The Sobie Silk Shops, Ltd.
Seven per cent. cumulative preferred stock of a par value of $25.

Capitalization:

	Authorized	Outstanding
7% Cumulative preferred stock	16,000 shares	9,000 shares
Common Stock (No Par Value)	24,000 shares	13,500 shares

No funded debt.

Business: Chain stores handling women's under-garments and hosiery exclusively. It is the largest retail business of its kind in the Dominion. The company began with one store in 1917 and its growth has been accomplished largely through the investment of accumulated earnings.

Earnings: The business has shown a profit each year since its inception. For the year ending May 31, 1926, net earnings after all charges including depreciation, amounted to $27,571, as compared with dividend requirements of the preferred stock of $15,750. For the seven months period ending December 31, 1926, earnings after all charges including depreciation, amounted to $38,642.

Sales: During 1923 totalled $75,137. In 1926 the total reached $396,299.

Purpose of issue: The proceeds of the issue will be used mainly for opening new stores in cities not already served

Preferred shares: Additional shares cannot be issued without the consent of at least 75 per cent of the preferred shareholders.

Offered: June, 1927, by Johnston and Ward at $25 a share, carrying a bonus of one-half share common stock with each share of preferred.

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Royal Bank Bldg. Toronto

Mayor Building Bonds Publicly Offered This Week

McLeod, Young, Weir and Co., are publicly offering this week $650,000, 6½ per cent. first closed 15-year mortgage bonds of the Mayor Building, Ltd. The company has been formed with A. Sidney Dawes, of the well-known Montreal family of the same name, as president, for the purpose of erecting and operating a 11-storey and basement office and light manufacturing building in the heart of uptown Montreal.

Particulars of the issue follow:

$650,000
Mayor Building, Ltd.
6½% First Closed 15-year Mortgage Bonds
Dated May 1, 1927 Due May 1, 1942

Security—First close mortgage on 13,900 sq. ft. of land, owned in fee simple, and on a modern 11-storey and basement, office building to be erected thereon, in Montreal.

Valuation—Land has been appraised at $250,000 and building $888,000, making a total of $1,138,600. The first closed mortgage is only 57.08 per cent. of these valuations.

Earnings—Gross annual rentals are placed at $131,779. Net earnings are estimated at $88,601, or 2.09 times bond interest requirements.

Surety Bond—Completion of the building free from liens has been assured by the taking out of a surety bond of $300,000.

Insurance—Fire insurance to the full insurable value of the property will be taken out in favor of the trustee. Profits and rentals protected by use and occupancy insurance.

Sinking Fund—Monthly sinking fund payments, sufficient to retire 61.5 per cent. of issue by maturity.

Monthly Payments—Trust deed provides that an amount sufficient to cover interest on these bonds shall be paid monthly to the trustee during life of bonds.

Redemption—In whole or in part on any interest date at 105 and interest to May 1, 1932, the premium decreasing by ½ of 1 per cent. each year thereafter until reduced to 2 per cent.

Offer—McLeod, Young, Weir & Co., at a price of 100 and accrued interest, yielding 6½ per cent.

Windsor Arms Bonds Offered Publicly by Blackstock & Co.

An offering is being made to the public of $350,000, 6½ per cent. first mortgage twenty year bonds of Windsor Arms, Ltd., by Blackstock and Co. Windsor Arms is a new Ontario company, formed for the purpose of erecting and operating a modern apartment building, consisting of 94 suites containing 230 rooms, in a good residential district of Toronto.

Details of the issue follow:

$350,000
Windsor Arms, Limited
6½% First Mortgage 20-year Bonds
Dated June 1, 1927 Due June 1, 1947

Property—A block of land in Toronto, on which is being erected a modern, high-class, fireproof apartment hotel, of 94 suites, consisting of 230 rooms.

Appraisal—Land has been appraised at $61,250; building $524,640; total $585,890.

Income—Gross income is estimated at $103,116, and after allowing $24,100 for operation costs and $12,360 for 12 per cent. vacancies, leaves a net of $66,656, which is nearly three times bond interest and sinking fund requirements.

Security—First closed mortgage on land, building, equipment, rentals and a floating charge on other assets of the company.

Sinking Fund—$7,500 per year which will be invested in participating endowment insurance.

Insurance—Fire insurance will be carried in favor of the trustee.

Surety Bond—Completion of building in every respect if guaranteed by a surety bond.

Monthly Payments—Will be made from rentals to trustee sufficient to provide in advance for annual taxes, interest and sinking fund.

Offered—By Blackstock & Co., at 98½ and accrued interest, to yield about 6.65 per cent.

Federal Mortgage Sells Issue of Debentures

From Our Own Correspondent.

MONTREAL—The investment house of Stowell, Beers and Company is offering publicly an issue of 6½ per cent. convertible debentures of the Federal Mortgage Corporation. Particulars of the issue follow:

$800,000 Federal Mortgage Corporation
20 year, convertible, sinking fund, 6½ per cent. debentures.
Dated June 1, 1927 Due June 1, 1947

Capitalization:

	Authorized	Issued
First mortgage collateral trust bonds ..	$1,000,000	$1,000,000
Convertible sinking fund 6½% debentures ...	1,000,000	1,000,000
7% Cumulative preferred stock	1,000,000	1,000,000
Common stock (no par value)	100,000 shs.	90,000 shs.

The Corporation: Conducts a mortgage business in the province of Quebec.

Purpose of issue: The proceeds of the issue will be used in loans to builders and first mortgages; acquiring first and second mortgages on completed buildings and discounting mortgages, etc.

Security: The issue ranks as a first charge on all the assets of the corporation subject to the prior claims of the first mortgage bonds.

Sinking fund: Annually the Corporation will deposit with the trustee mortgage securities equal to 10 per cent of the outstanding debentures.

Earnings: It is estimated that earnings will equal five times the interest requirements of the issue.

Offered: By Stowell, Beers and Company at par. The issue carries a bonus of one half a share of common stock for each $100 par value debenture.

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Due 1 July, 1957
Principal and interest payable in Canadian or United States funds.
Price 98½ and interest to yield about 4.60%
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Telephone EL. 5192. 255 Bay St., TORONTO

Supertest Petroleum Growth Causes Preferred Stock Issue

Class "A" preferred shares of Supertest Petroleum Corpn., to the value of $278,900, are being offered by Dickson, Jolliffe and Co. This is part of an authorized issue of $800,000, of which $500,000 are outstanding.

Supertest Petroleum was formed for the purpose, among others, of acquiring and consolidating several individual companies handling Supertest petroleum products, such as gasoline, lubricating oils, etc. Since that time growth and development has been consistent and profitable, until to-day, with consolidation completed, the company owns and operates a number of well equipped storage stations as well as controlling upwards of some 100 service stations located at strategic points in Ontario and Quebec.

Details of the issue are as follows:

$278,900
Supertest Petroleum Corporation
7% Cumulative Class "A" Preferred Shares

The Company—Own and operates over 100 stations in Ontario and Quebec handling Supertest petroleum products, such as gasoline, lubricating oils, etc.

Security—Premier security of the company, being preferred both as to assets and dividends and ranking prior to the $200,000 of 6 per cent. class "B" stock, which is owned by the old shareholders who originally started the business.

Assets—Surplus over liabilities at May 1, 1927, amount to $684,018, being approximately $137 for each $100 of class "A" preferred stock issued, exclusive of good will, trade marks and copyrights. Current assets in ratio to current liabilities are in the ratio of over three to one.

Earnings—Have increased from $7,606 for three stations in operation in 1923, to $80,457 for over 100 stations in 1926. 1927 earnings are estimated at $150,000, or more than four times dividend requirements on class "A" stock.

Management—There will be no change in this respect.

Purpose of Issue—Proceeds to be used in extending company's business by opening up new wholesale and retail units as well as consolidating the purchase of the assets of the Ensign Oil Co., of Montreal, together with giving the company additional working capital. No money is being drawn out of the business.

Bonus—Four shares of common stock with every ten shares preferred. Fractional shares adjusted on the basis of $20 a share.

Offered—Dickson, Jolliffe & Co., at $100 per share and accrued dividend, with bonus.

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bdge 7s '55......	107½	108½
Do., 8s '45	106½	108
Buff Gen Elec 1st 5s '39.......	104	...
Do., pref. 5s '39	104	...
Bfo N & E Pow 5s '30.........	102	103
Lockport L H & P 5½ '54......	103½	...
N. F. 1st & com. 6s 1950.......	105	106
Niagara Falls Pw. pf.	28¼	29¼
Niag. Lock & Ont. pf.	113½	115

7% AND SAFETY
First Mortgage Sinking Fund Gold Bonds.
Maturities: 5 to 10 years.
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Legal Opinion: Long & Daly.
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Government and Municipal Bonds
Dominion Bank Building
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Canada

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Write for particulars
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W. L. McKinnon & Co.
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO.

Private Wire Connection to New York, Chicago, Winnipeg, Montreal, Toronto and Vancouver.
G. F. TULL & ARDERN
LIMITED
STOCK, BOND, GRAIN and FINANCIAL BROKERS
LANCASTER BUILDING
CALGARY, Alberta

FURTHER FOREIGN FINANCING TAKES PLACE IN CANADA

French Steamship Bonds Offered to Canadian Public

The most important piece of foreign financing in Canada for some time, took place this week when $11,000,000, 6 per cent. external bonds of the French National Mail Steamship lines, were offered publicity by Wood, Gundy and Co. This issue is exceptional in many ways, the outstanding feature being the guarantee of interest and principal and sinking fund requirements by the French Government. Moreover, the Government has contracted to pay the debts of the company if for any cause it should cease operations.

French National Steamship Lines was organized in 1921, pursuant to a convention entered into on December 29, 1920, between the Government and the company, ratified by law of July 28, 1921. The company operates mail, passenger and freight service, connecting France with Southern Europe, Asia, Africa and Australia. Operations are directed by the Compagnie des Messageries Maritimes (French title), but are carried on under the jurisdiction and control of the French Government.

Promote Government Relations

An availability of regular and rapid ocean navigation is one of the essential steps toward the promotion of commercial relations between France and its colonies, the formation of the French National Mail Steamship Lines constituted an important step in the government's post-war development programme and this is the primary reason for the sponsorship of the company of the French Government and the financial guarantee above mentioned.

While Canadian investment houses have participated in a large number of foreign issues, both government and commerical, during the past year, this is the second one to be handled exclusively by a Canadian house. Up to the present, foreign bonds have been attractive to investors because of their high yields, together with comparative security. Domestic issues have been and are attractive at present prices, with the result that demand for good foreign issues has been very consistent. A number of the Continental government issues, offered to the public to yield over 7 per cent., have risen in value and a good profit netted to the purchasers.

The present issue of the French National Mail Steamship Lines will in all likelihood be quickly sold, as indicated by early demand.

Particulars of the issue follow:

$11,000,000
French National Mail Steamship Lines
6% External Sinking Fund Gold Bonds
Dated May 1, 1927. Due May 1, 1952.

Company—Operated passenger, freight, and mail boats between France and Colonies under the jurisdiction of the French Government.

Guarantee—Principal, interest and sinking fund requirements guaranteed by the French government. The government has also contracted to pay all debts if the company should, for any cause, cease to operate.

Assets—Company now owns, free of mortgages or liens and exclusive of vessels to be built from proceeds of present issue, a fleet of 39 liners with a total tonnage of 542,468 tons, having a book value (cost less depreciation) aggregating Frs. 618,470,000.

Purpose of Issue — Funds will be used to provide for construction programme.

Gold Payments—French government has assured company that it will not place any restrictions in the way of purchasing and remitting funds necessary to meet principal, interest and sinking fund payments, while any of these bonds are outstanding.

Capitalization:

Six per cent. external sinking fund gold bonds, due 1952 (this issue)	$11,000,000
Seven per cent. external sinking fund gold bonds, due 1949	10,000,000
Internal issues bearing interest at 3½ per cent., five per cent., six per cent. and 6½ per cent.	Frs. 366,407,637
Capital stock (par value Frs. 500)	Frs. *60,000,000

*Twenty-five per cent. paid. The company may, therefore, at its option, call an additional Frs. 45,000,000 from its stockholders. Under the convention of December 29, 1920, shareholders are entitled to an annual dividend, which the French government has guaranteed shall not fall below four per cent.

Taxes—Bonds will be free of any French taxes, present or future.

Redeemable—In whole at option of company on any interest date on or after May 1, 1937, on three months' notice at par and accrued interest; and may be redeemed by lot for sinking fund only on three weeks' notice at par and accrued interest on or at any date after November 1, 1932.

Sinking Fund—Commencing 1932 calculated to retire this entire issue of bonds by maturity.

Offered—In Canada and abroad by Wood, Gundy & Co., at 91.50 and interest, yielding over 6.70 per cent.

This Week's Bond Sales

TOWNSHIP OF BARTON

An issue of $7,000, Township of Barton, 5½ per cent., 10-instalment bonds, has been awarded to C. H. Burgess & Co., at 103.41, which is on a cost basis of 5.06 per cent.

Unlisted Bonds

	Bid	Asked
Abitibi Fibre 6s, 1947	98⅛	98½
Abitibi P. & P. 6s, 1940	104	105¼
Algoma Steel 5s, 1962	28	29¼
Alberta Pac. Grain 6s, 1946	98¼	99
Bell Telephone 5s, 1955	101¾	102½
Belgo. Can. Paper 6s, 1943	101¾	102⅝
Brandram-Henderson 6s, 1936	96¾	98½
B. C. Pulp & Paper 6s, 1950	89	93
Brompton P. & P. 6s, 1946	99¼	100
Burns, P. & Co., 6½s, 1943	103¼	104
Calgary Brewery 5s, 1942	89½	90½
Calgary Power 5s, 1940	92¼	93½
Canada Lt. & Pr. 5s, 1949	92¼	93¾
Can. Nor. Power, 61s, 1941	101½	102¼
Canada Paperboard 7s, 1937	98½	100
Can. Steamships 5s, 1943	99	99⅝
Can. Steamships 6s, 1941	98	98½
Can. Steel Foundry 6s, 1936	104⅝	105¾
Davies, Wm., 6s, 1942	96	97
Dominion Iron 5s, 1939	30	32
Dominion Pr. and Tr. 5s, 1932	97	98
Drummond Invest. 6½s, 1938	99¼	100
Duke Price Pr. 6s, 1966	104⅛	104¾
East Kootenay Pr. 7s, 1942	103½	104½
Elec. Development 5s, 1933	100⅛	100¾
Famous Players 6½s, 1943	99	100¼
Fraser Co. 6s, 1950	98½	99
Gatineau Power 5s, 1956	96¾	97
Gatineau Power 6s, 1941	100	100⅝
Howard Smith P. & P. 6s, 1941	104	104⅝
International Paper 6s, 1941	98⅛	98¾
King Edward Hotel 7s, 1944	93	96
Lake Superior P. P. 6s, 1941	106	107¼
Laurentian Pr. 6s, 1936	103	104
Laurentide Pr. 5½s, 1946	101	102
Maple Leaf Mfg. 6½s, 1943	103½	104½
Maritime Tel. & Tel. 6s, 1941	104	105
Manitoba Pr. 5½s, 1951	99⅛	99¾
Mercury Mills 6½s, 1942	100¾	101¾
Mont. L. H. & Pr. 5s, 1951	100⅜	100⅞
Mont. Pub. Service 5s, 1942	99⅛	100
Nor. Can. Pr. 6s, 1945	101⅞	102½
Nor. Ont. L. & P. 6s, 1946	101¼	101⅞
Nor. West Utilities 7s, 1938	99⅝	100
Nova Scotia Steel 5s, 1959	67	72
Nova Scotia 6% Debs.	35	38
Nova Scotia Tram. 5s, 1946	92¼	93½
Nova Scotia Tram. 7s, 1952	99½	100½
Ont. Pulp & Paper 6s, 1931	109	110¼
Ottawa Hull Pr. 6s, 1948	103½	104½
Ottawa L. H. & Pr. 6s, 1953	104	105
Ottawa Mont. Pr. 6½s, 1949	102⅝	103¼
Ottawa Trac. 5½s, 1953	101¾	102⅝
Ottawa River Pr. 6½s, 1953	101¾	102⅝
Port Alfred P. & P. 6½, 1943	101½	102
Price Bros. 6s, 1943	103⅝	104⅛
Prov. Lt. Pr. 5s, 1946	101¼	102
Rio Tramway 5s, 1935	95⅝	96⅛
Sao Paulo Tram. 5s, 1929	98	98½
St. Lawrence Paper, 6s, 1946	97	98
St. Maurice Pr. 6½s, 1953	107¼	108
St. Maurice Valley 6s, 1945	99⅛	100
Shawinigan W. & P. 6s, 1950	104½	105¾
Simpson's, Ltd., 6½s, 1945	103¼	104
Southern Can. Pr. 5s, 1955	98¾	99⅝
Spanish River P. & P. 8s, 1941	106¾	107½
West Kootenay Pr. 6s, 1943	103½	105

New Mortgage Company Formed and Bonds Sold

From Our Own Correspondent.

MONTREAL—The firm of L S. Jackson and Company, of Montreal, fiscal agents of the Montreal Mortgage and Discount Company, is offering $1,000,000, 7 per cent., collateral trust, 20 year bonds of the latter company. The particulars of the issue follow:

$1,000,000 Montreal Mortgage and Discount Company

7 per cent. collateral trust 20 year bonds

Capitalization: Bonds authorized $1,500,000; issued $1,000,000. Authorized and issued: 15,000 shares of no par value common stock.

Security: The issue will be secured by mortgages and balances of sales which will be deposited with the trustee up to the full amount of the outstanding bonds.

The Company: Has been organized to deal in mortgages and to specialize in purchasing at a discount, mortgages or balances of sales on selected, medium-priced residences.

Offered: June 1927, by L. S. Jackson and Co. at par carrying a bonus of common stock.

Tenders and By-laws

June 27, County of Renfrew—$15,000 5½ per cent., 20-year. R. J. Roney, County Clerk. (See announcement on page 16.)

June 21, Regina—$379,000, 5 per cent., 20 and 30-year debentures, alternative bids, payable in Canada and New York and payable in Canada only. D. D. Ross, city treasurer.

June 25, Moose Jaw—$186,518, 5 per cent., 10, 15 and 30-year. Geo. D. Mackie, city commissioner. (See announcement on page 16).

June 21, Bourget Twp.—$25,000, five per cent. serial bonds.

June 21, Ottawa—$627,594, 4½ and five per cent., 10, 15 and 20-instal. debentures, payable in Canada and United States. H. L. Corbett, treas. (See announcement on page 16).

June 23, Peterborough—$101,500, five per cent., five and 10-instalment bonds.

June 30—Saskatoon Sch. District—$180,000, five per cent., 30-year debentures. Wm. P. Bate, treasurer. (See announcement on page 16).

July 4, Village of Mont Joli, P.Q.—$16,000, five per cent., serial bonds. J. Dube, Sec.-treas.

June 29, Town of Terrebonne, P.Q.—$95,800, five per cent. serial bonds. L. Gravel, sec.-treas.

June 27, School Commissioners of Chicoutimi, P.Q.—$45,000, five per cent. serial debentures. J. E. Blackburn, sec.-treas.

July 5, Town of Quebec West, P.Q.—$38,200, five per cent., serial bonds. J. P. Galibois, sec.-treas.

June 27, City of Sherbrooke, P.Q.—$230,000, 4½ or five per cent. serial bonds. A. Deslauriers, sec.-treas.

June 27, City of Three Rivers, P.Q.—$251,000, 4½ or five per cent. serial bonds. A. Nobert, sec.-treas. (See announcement on page 16).

June 30, Town of Montmagny, P.Q.—$44,900, five per cent. serial bonds. J. Blanchard, sec.-treas.

June 28, City of Westmount, P.Q.—$487,000, 4½ per cent. serial bonds. Arthur F. Bell, sec.-treas.

SASKATCHEWAN

Authorizations Granted by the Local Government Board, From May 28 to June 4, 1927

Schools—Saltcoats, No. 140, $1,500; Caron Prairie, No. 182, $3,500; Macklin, No. 2420, $18,000; Willows, No. 4690, $4,000; Dysart, No. 1449, $7,000; Epinard, No. 4696, $4,000; Traynor, No. 2126, $7,000; Lafleche, No. 2730, $9,000; Pinto Creek, R.T. Co. Ltd., $2,300; Bateman Village, $500; Tuxford Village, $765; Windthorst Village, $5,000; Cory R.M. No. 344, $15,000; Saskatoon City, $206,324.

Debentures Reported Sold

Paragon, No. 2466, $10,000, 15 years, 5½ per cent., H. M. Turner & Co., Regina; Slavanka, No. 2279, $3,820, 15 years, 5½ per cent., National School Supply, Regina; Brownville, No. 4677, $3,600, 15 years, seven per cent., National School Supply, Regina; Golden Ridge No. 656, $5,500, 20 years, 5½ per cent., Cross & Co., Regina; Wolfe R. T. Co., $1,000, 10 years, 5⅝ per cent., G. Moorhouse & Co., Regina.

BOND MOVEMENTS OF THE WEEK

Week Ending June 14

Bonds—	Int. Rate	Due	Yield	Range, 1926 High	Range, 1926 Low	Range, 1927 High	Range, 1927 Low	Ask	Bid	Latest Price High	Latest Price Low
Asbestos, Gen. Mtge.	6	1956	6.25	83¾	81¼	94⅛	88	93⅛	92⅝	93¼	92⅝
Do., 1st Mtge.	6	1941	5.81	101⅝	98¼	102	92¼	101⅝	100½	101⅞	....
Canada Cement	6	1929	5.56	103	100½	102¼	100½	.....	101	101	....
Can. Cottons	5	1940	5.26	99½	95	99¾	97	98¼	97½	97½	....
Cedar Rapids	5	1953	4.98	101½	98⅛	101	99	100¼	....	100¼	....
Can. Canners	6	1950	6.04	100	94	100¼	96½	100¼	99½	99½	....
Dom. Iron	5	1929	10.24	94	86	92	69	....	87	86¾	86½
Montreal Tram "A"	5	1955	5.21	95	92½	92¾	94¼	96¼	96	96¾	95½
Ogilvie "A"	6	1932	4.95	104½	103½	105	104¼	....	104½	105	....
Ontario Steel	6	1943	5.81	101¾	100¾	102	102	....	102	102	....
Quebec Rly.	5	1939	5.00	100	91⅛	100	96	100	99¾	100	99½
Wayagamack	6	1951	6.15	100⅝	90	100	97	....	98	98	....
West Koot Pr.	6	1943	5.60	104⅛	103½	104¼	104¼	105	....	104¼	....
War Loan	5	1931	4.60	100.40	100.35	101.85	101.00	101.40	101.10	101.40	....
Do.	5	1937	4.56	104.95	102.75	103.70	102.95	103.65	103.35	103.70	....
Victory Loan	5½	1927	4.85	102.50	100.15	101.00	99.85	100.35	100.05	100.20	99.85
Do.	5½	1933	4.62	106.35	103.20	105.20	103.90	104.65	104.25	104.75	104.50
Do.	5½	1934	4.90	104.40	102.65	104.10	103.00	103.45	103.40	103.65	103.40
Do.	5½	1937	4.56	109.30	106.70	108.20	106.90	107.80	107.75	107.90	107.55
Do., Renewal	5½	1927	4.55	101.95	100.00	100.80	99.90	100.15	99.95	100.00	99.90
Do., Renewal	5½	1932	4.94	103.90	102.00	103.55	102.45	102.80	102.35	102.80	102.50
Do., Refund	5	1928	4.75	101.35	99.00	101.45	100.00	100.25	99.95	100.20	....
Do., Refund	4½	1940	4.54	96.95	95.60	100.05	96.60	99.50	99.20	99.65	99.25
Do., Refund	5	1943	4.67	102.80	101.10	103.90	102.30	103.80	103.45	103.80	103.70
Do., Refund	4½	1944	4.55	97.15	95.70	100.10	98.05	99.50	99.20	100.00	98.95
Do., Refund	4½	1946	4.53	99.60	95.65	100.25	96.70	99.50	99.20	99.50	....

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS.

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Barton Twp.	June	C. H. Burgess & Co.	5½%	10-yr.	$7,000	103.41	5.06
Saskatchewan Schools, Etc.	June	Various	...	....	23,920	.....	....
St. Benoit, Que.	June	Bray, Caron & Dube	5%	30-yr.	13,400	......	....
St. Etienne De La Marlboie	June	La Corp. des Obligations Municipales	5%	....	25,000	98.77	5.19

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Beach Foundry	June	H. C. Monk and W C. Hughes	7%	10-yr.	$300,000	101.50	6.79
St. Lawrence Paper Mills	June	Nesbitt, Thomson & Co.	6%	20-yr.	1,000,000	99	....
Mayor Building	June	McLeod, Young, Weir & Co.	6½%	1942	650,000	100	6½%
French Nat. Mail S.S. Lines	June	Wood, Gundy & Co.	6%	25-yr.	11,000,000	91.50	6.70
Stock Issues—							
Kelly Dry—Pure Juice Corp.	June	Credit-Canada and U.S. Associates	...	27,543 shs.	....	.....	....
			In units of 10 shs. class A and 5 shs. class B.				
International Paper Co.	June	Royal Securities Corp. and Syndicate	7%	Pref.	$15,000,000	99	....
Johnson Fisheries, Ltd.	June	Whyte & Co. Treas. Stock	...	.....	$35,000	100	....
Huether Brewing Co.	June	Dom. Bond & Deb. Corp	8%	Pref.	75,000	$10	....

Dominion of Canada
Guaranteeing Unconditionally
Canadian National Railway Co.
Thirty-Year 4½% Gold Bonds
Due 1957

Principal and half-yearly interest (1st January and 1st July) payable in Montreal, Toronto, Ottawa, Winnipeg and Vancouver, or at the option of the holder, in New York, in United States Gold Coin. Coupon Bonds in the denomination of $1,000 with the privilege of registration as to principal. These bonds are not callable prior to maturity.

Price: 98.50 and Accrued Interest, to yield about 4.60%
Circular on request.

HANSON BROS.
Founded 1883
Investment Securities
Montreal: 160 St. James St.
Toronto: 330 Bay Street
Ottawa: 63 Sparks Street

Famous Players Will Earn More This Year

From Our Own Correspondent.

MONTREAL—The forthcoming issue of Investment Items, published by the Royal Securities, will say of the Famous Players Canadian Corporation:

"Indications are that the current year (ending August) will show a considerable increase in the company's earnings. Famous Players 8 per cent. first preferred shares, listed in Montreal and Toronto, give a yield of approximately 8.20 per cent. at present quotations. Considering the dominant position occupied by the company in the Canadian motion picture theatre field, and the steady improvement in earnings, the shares appear to be attractive for both income and eventual profit."

Grant Johnston & Co
Members
Montreal Stock Exchange
Montreal Curb Market
104 St Francois Xavier St
Montreal
Telephones Main 6184 & 6185

Power and Light Investments

The safety, marketability and attractive yield of securities based on the development of Canada's water power resources are so widely recognized that institutions, and other investors whose funds must be safely employed, include a goodly proportion of such securities in their investment lists.

We shall be pleased to submit recommendations.

Browne, Urquhart & Company
Limited
Investment Bonds
180 St. James Street, Montreal

Roberts-Cameron
& Company, Ltd.
Government and Municipal Bonds
Listed Stocks
Northern Ontario Bldg.
AD.3486-7-8 TORONTO

We recommend
Hamilton Dairies
Preferred and Common
DENMAN & CO.
LIMITED
INVESTMENT BANKERS
HAMILTON, ONT.
BRANCH: BELLEVILLE, ONT.

BONDS
Government
Municipal
Industrial
Utilities

List on request

ESTABLISHED 1919
CREDIT-CANADA
LIMITED
Investment Bankers
128 St. James St., Montreal
Main 4191

Canadian National Railway
4½% Bonds
Due July 1st, 1957

Capital and interest payable in Canada and in United States.

Capital and interest of these bonds are unconditionally guaranteed by the Government of the Dominion of Canada.

Price: 98.50 and interest to yield about 4.60%

RENE-T.LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 71, St. Peter St.
(ESTABLISHED 1901)
E-220

Investment Bonds
High-Grade Preferred Stocks
Williams, Partridge & Rapley, Limited
171 ST. JAMES ST., MONTREAL

We offer:

5,000 Shares
The Sobie Silk Shops Limited
7% Cumulative Preferred Stock
Par Value $25.00

Preferred as to dividends and as to assets up to 105 per cent. of par and accrued dividends. Dividends payable half-yearly beginning January 1st, 1928. Redeemable as a whole or in part on any dividend date on 30 days' notice at 105 per cent. of par and accrued dividends.

TRANSFER AGENTS: MONTREAL TRUST COMPANY

CAPITALIZATION
(after giving effect to this financing)

	Authorized shares	Outstanding shares
7% Cumulative Preferred Stock (Par Value $25.00)	16,000	9,000
Common Stock (No Par Value)	24,000	13,500

NO FUNDED DEBT

The following information is supplied by Mr. Benjamin Sobie, President of The Sobie Silk Shops Limited:

BUSINESS AND HISTORY: The Sobie Silk Shops Limited, incorporated under Dominion Charter, is acquiring all the undertakings, property and assets of Sobie Silk Shops Limited. The Company operates a chain of stores from Montreal to Vancouver, including Montreal, Quebec, Toronto, Hamilton, London, Winnipeg, Calgary and Vancouver, dealing exclusively in ladies' tailored undergarments, lingerie and hosiery. Undergarments are manufactured in the company's own plant at Montreal. Hosiery is purchased on favorable terms direct from the makers. The stores are all leased and carry uniform equipment of standard design, which permits the opening of new stores with a minimum of capital expenditure.

The business had its inception in Montreal in 1917 with only one store and has grown into one of the largest retail businesses of its kind in the Dominion. This growth has been accomplished largely through the reinvestment of accumulated earnings. The business is conducted on a strictly cash basis, thus eliminating losses from bad debts and the tie-up of capital in bills receivable.

EARNINGS AND SALES: The enterprise has shown a profit every year since its inception. Earnings, as certified by Auditors, after making ample allowance for depreciation, for the past year and seven months were as follows:

Year ending May 1st, 1926	$27,571.47
Seven months ending Dec. 31st, 1926	38,642.95
Preferred Dividend requirements on present capitalization for full year	15,750.00

While these earnings are sufficient to cover full dividend requirements on the new Preferred stock by a comfortable margin and leave a surplus for the Common, they do not neflect the new capital going into the business. When this capital is fully employed, Mr. Sobie estimates that earnings after depreciation and taxes will be not less than $85,000 per annum, which would be at the rate of 37% on the Preferred Stock and equal to $5.00 per share on the No Par Value Common Stock after paying Preferred Stock dividends.

Sales for the four years ending December 31st were approximately as follows:

1923	1924	1925	1926
$75,137	$116,388	$206,091.14	$396,299.37

EXPANSION: The proceeds of this issue will be used mainly for the opening of new stores in cities not already served by the Company, and to a minor extent for working capital.

PREFERRED SHARES: The Preferred Shares carry equal voting rights with the Common and are cumulative, but non-participating. Further Preferred Stock, in addition to that now authorized, ranking in priority on a parity with this issue shall not be created except with the consent of at least 75% of the Preferred Stock outstanding at the time of such proposed new issue.

These shares are offered when, as, and if issued, and received by us subject to approval of counsel, Messrs. Foster, Mann, Place, Mackinnon, Hackett and Mulvena.

Price $25 a Share
and accrued dividends from June 1st with a bonus of one-half share Common Stock with each share of Preferred.

Fractional shares of no par Common Stock will be adjusted at $10 a share. The first dividend on the Preferred Stock will be payable on January 1, 1928, for the seven months ending on that date.

JOHNSTON AND WARD
MEMBERS: Montreal Stock Exchange
Toronto Stock Exchange
14 King St. East, Toronto
171 St. James Street, Montreal
Branches: Montreal, Halifax, Sydney, Moncton, Sherbrooke, Kingston, Toronto, London, Ont., St. John's, Nfld., Kitchener, Stratford, Saint John, N.B.
PRIVATE WIRES TO ALL BRANCHES

The Toronto Hydro-Electric System

The Sixteenth Annual Report of the

TORONTO ELECTRIC COMMISSIONERS--1926

Toronto, April 22nd, 1927.

To His Worship the Mayor and Members of the Council of the Corporation of the City of Toronto:

Gentlemen,—

Your Commissioners beg to submit their Sixteenth Annual Report on the operations of the Toronto Hydro-Electric System for the year ended 31st December, 1926, accompanied by the Revenue Account and Balance Sheet and subsidiary financial statements, and by the report of the General Manager.

The accounts have been audited by Mr. S. C. Scott, C.A., City Auditor of the Corporation of the City of Toronto.

The operations for the year 1926 have resulted as follows:

Gross Income, including Appliance Sales	$9,670,434.53
Cost of Electric current and expenses of operation and management, including Appliance Department costs	$7,130,993.09
Surplus of income on operating account and reserve re operations in adjoining municipalities	$2,539,441.44
Interest, Depreciation, Taxes, Sinking Funds, Debenture retirals	$2,462,032.97
Net income carried to reserve for stabilization of rates	$11,408.47

The net funded debt at 31st December, 1926, less Sinking Funds in the City Treasurer's hands amounted to the sum of $19,823,094.71, all of which will be promptly paid at maturity by the annual retirals of the serial debentures and by the operation of the Sinking Funds applicable to the long term debentures. Care has been taken to insure that not a dollar has been charged to Capital Account that should have been charged to Revenue.

The current liabilities and amounts due to the City Treasurer but not yet payable amounted to $1,503,103.66. Reserves as shown on the Balance Sheet amounted to $14,961,308.21. These reserves include an item of Sinking Fund equity in the Provincial Niagara System amounting to $3,387,357.74, which has been put aside by the Provincial Commission out of the amounts paid by the Toronto Hydro-Electric System from year to year in the purchase of power.

The Provincial Commission has advised us each year of the amount to be included in respect of the Sinking Fund equity, and in order that the Balance Sheet may show a true picture of the investment for which the City of Toronto through the Toronto Hydro-Electric System is responsible, the Commissioners have felt it desirable to include in the Balance Sheet the share of the capital investment of the Hydro-Electric Power Commission of Ontario in respect of the Toronto Hydro-Electric System. This amounts to $44,777,246.97. The total fixed and current assets of the Toronto Electric Commissioners amounted to $32,900,148.84, making a total investment in respect of the electrical supply to the City of Toronto and the adjoining Municipalities served by the System of $77,677,395.81.

The System has earned Sinking Fund and funds for the redemption of serial debentures amounting to $5,369,905.29 (exclusive of the Sinking Fund equity in the Provincial System referred to above) and since the maintenance of the System's plant has been paid for out of Revenue, and replacements have been made or provided for by the establishment of a Depreciation Reserve, it is evident that the Sinking Funds together with the Reserve for the stabilization of rates amounting in all to $6,524,075.97 constitute the net earnings of the enterprise over and above all operating, interest and depreciation charges for the period since the System commenced operation.

Had the enterprise been conducted as a commercial corporation with share capital, instead of being charged with debenture capital, subject to redemption, the net earnings for the year 1926 would have been shown at the amount of $1,927,578.15, that being the sum of interest and Sinking Fund appropriations and the net income carried to the reserve for the stabilization of rates; or the equivalent to a dividend at the rate of approximately 8.33% upon the average amount of cash capital received from the sale of debentures and invested in the System.

The total assets, total liabilities, reserves and surplus, and annual revenue of the Toronto Hydro-Electric System for the Fifteen years during which it has been operated by the Toronto Electric Commissioners are tabulated below:

	Total Assets	Total Liabilities	Reserves and Surplus	Annual Revenue
1912	$ 4,369,158.38	$ 4,283,993.77	$ 85,164.61	$ 726,763.55
1913	6,492,065.18	6,245,417.41	246,647.77	1,159,339.71
1914	7,321,974.51	6,865,757.80	456,216.71	1,501,291.47
1915	7,816,810.50	6,718,778.68	1,098,031.82	1,620,187.60
1916	8,882,171.67	7,474,594.50	1,407,577.17	1,706,177.00
1917	10,317,530.57	8,537,088.38	1,780,442.19	2,049,382.98
1918	10,628,232.58	8,296,320.92	2,331,911.66	2,353,443.93
1919	11,591,794.30	8,528,928.70	3,062,865.60	2,504,758.31
1920	13,041,248.96	8,958,150.01	4,083,098.95	3,150,846.57
1921	15,186,386.90	10,140,229.48	5,046,157.42	3,622,605.23
1922	17,802,701.64	11,541,548.61	6,261,153.03	4,404,753.73
*1923	28,523,758.40	18,767,589.96	9,756,168.44	7,353,228.48
1924	32,975,271.42	20,739,922.69	12,235,348.73	8,476,671.69
1925	34,071,883.21	20,632,178.92	13,439,704.29	8,827,372.85
1926	†36,287,506.58	21,326,198.37	14,961,308.21	‡9,670,434.53

*Includes Local Distribution System of Toronto & Niagara Power Company taken over by Toronto Hydro-Electric System.

†Includes Sinking Fund Equity in H.E.P.C. plant, but not share of capital investment in respect of the T.H.E.S.

‡Includes Appliance Sales.

OPERATIONS OF 1926

The electrical energy purchased from the Hydro-Electric Power Commission of Ontario during the year cost $4,503,529.67 or 46.6% of the gross income against $4,088,697.73 for the preceding year or 46.3% of the gross income of that year. At the beginning of the year, the governing rate was $24.00 per H.P. During the year, it was thought better to change the rate to $26.10 per H.P., which was the final rate for the year 1925, and your Commissioners at the end of the year had paid for the power supplied at the rate of $26.10 per H.P. After the close of the year's operation, the Provincial Commission advised that the cost of the power supplied during the year was $9,735.61 less than had been already paid. and this brought the net cost for the year to $4,503,529.67 or $26.05 per H.P.

OPERATING EXPENSES

The expenses of operation and management amounted to $2,216,024.10 or approximately 24.0% of the gross income (exclusive of Appliance Sales) against $2,217,286.65 for the preceding year or 25.1% of the gross income of that year.

RATES

In their Annual Report for the year 1925, your Commissioners pointed out that the Revenue had been sufficient to meet all obligations of the System with a surplus of $81,382.51, which represented less than 1% of the System's revenue for that year. It was hoped that improving conditions would increase this margin; the result, however, shows a slight decrease, which indicates that some adjustment is necessary. At the time of writing, your Commissioners have under discussion with the Hydro-Electric Power Commission of Ontario an adjustment of rates.

PHYSICAL GROWTH OF THE SYSTEM

The following table indicates the physical growth of the System from the date of commencement of operations until the end of the year 1926:

End of	Meters in Use	Street Lights in Use	Kilowatt Hours Sold	Connected Load H.P.	Peak Load H.P.
1912	13,858	33,824	35,176,548	46,296	17,198
1913	24,999	38,944	65,052,951	68,461	22,520
1914	33,976	40,596	82,927,015	90,162	28,753
1915	39,284	43,411	109,501,981	111,413	40,180
1916	44,013	45,212	139,003,756	125,840	47,165
1917	50,461	45,841	171,691,213	169,818	56,662
*1918	53,598	29,527	230,413,561	184,930	60,154
*1919	63,762	45,091	180,609,938	176,351	59,618
*1920	71,447	45,472	214,908,545	194,800	62,339
1921	81,923	46,126	221,384,558	227,600	76,378
†1922A	93,065	47,479	265,583,040	265,398	103,878
1922B	122,872	47,479	338,103,673	374,803	140,393
1923	132,125	48,672	392,367,546	451,898	155,741
‡1924	141,459	49,855	485,708,476	542,074	191,803
‡1925	143,648	50,895	512,784,492	584,182	194,512
‡1926	150,584	51,701	550,270,972	640,237	220,676

*Owing to the shortage of power during 1918, 1919 and 1920, it was necessary to stop canvassing for new business and to curtail street lighting.

†1922A shows Toronto Hydro-Electric System alone.

1922B shows Toronto Hydro-Electric System, plus Toronto and Niagara Power Company's System (Approximate) as at the beginning of 1923.

‡Includes Toronto Transportation Commission bulk supply.

TORONTO HYDRO-ELECTRIC SYSTEM
REVENUE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1926

Section I: Showing Net Income From Operations of Year

CHARGES

DR.		
To Cost of Electric Current at Schedule Rate	$4,503,529.67	
To Expenses of Operation and Management, including Repairs, Maintenance and Accrued Charges, Provision for Proportion of Special Depreciation of Leasehold Buildings and Improvements ($19,559.75)	2,216,024.10	$6,719,553.77
To Reserve for Possible Profit—York Township		66,000.00
To Cost of Appliances sold and Expenses		411,439.32
To Net Income available for Fixed Charges Carried Forward to Section II.		2,473,441.44
		$9,670,434.53

INCOME

CR.		
By Sale of Current for:—		
Lighting	$4,548,216.18	
Power	3,974,999.29	
Street Lighting	471,143.12	
Exhibition	39,171.56	
Other Municipalities	43,633.63	$9,077,163.78
By Income from Sundry other sources		173,081.48
By Income from Sale of Appliances		420,189.27
		$9,670,434.53

Section II: Showing Disposition of Net Income

To Interest		$1,163,995.84
To Depreciation (including Interest on Depreciation Reserve)		515,957.12
To Taxes		29,906.17
To Sinking Funds:—		
Under City By-Law No. 5036	$ 35,886.23	
" " " No. 5918	34,168.41	
" " " No. 6674	9,257.15	
" " " No. 7176	13,262.38	
" " " No. 9302	237,287.37	
	$329,861.54	
To Redemption Funds:—		
Under City By-Laws No. 7584 and No. 7642	33,978.96	
" " " No. 7875	33,000.00	
" " " No. 8052 and No. 7999	28,000.00	
" " " No. 8294	19,000.00	
" " " No. 8295	18,500.00	
" " " No. 8774	23,000.00	
" " " No. 9191	94,000.00	
" " " No. 9880	68,000.00	
" " " No. 10177	104,833.34	
	$422,312.30	752,173.84
To Net Income carried to Reserve for Stabilization of Rates		11,408.47
		$2,473,441.44

By Net Income available for Fixed Charges	$2,473,441.44
	$2,473,441.44

TORONTO HYDRO-ELECTRIC SYSTEM
BALANCE SHEET AS AT 31st DECEMBER, 1926

ASSETS

FIXED ASSETS		
Lands, Buildings, Transmission System, Substation Equipment and Feeder System, Distribution System, Municipal Street Lighting System, Line Transformers, Meter Equipment and Devices, General Offices, Stores Department, Utility Equipment and Miscellaneous Equipment, Miscellaneous Construction and Equipment Expenditures, Plant Purchased, Exhibition Construction and Equipment	$22,810,950.43	
Purchase Price (which includes intangible as well as tangible Assets) of the Distribution System of the Toronto and Niagara Power Company after adjustments have been made for additions to Plant, Stores used and Plant disposed of	6,148,159.72	
Leasehold Premises and Improvements	83,748.79	
Debenture Discount and Expenses (Less Debenture Premium)	950,809.67	$29,993,668.61
CURRENT ASSETS		
Stores and Appliances on hand, less Reserve for Contingencies	733,119.30	
Accounts Receivable (including Orders in Progress), less Reserve for Doubtful Accounts	1,182,616.95	
Capital Funds on Hand	504,687.50	
Cash on Hand and in Bank	450,308.91	
Prepaid Charges	35,747.57	2,906,480.23
		32,900,148.84
INTEREST IN THE PROVINCIAL NIAGARA SYSTEM		
Share of Capital Investment of the Hydro-Electric Power Commission of Ontario in respect of the Toronto Hydro-Electric System		44,777,246.97
		$77,677,395.81

LIABILITIES

CAPITAL ACCOUNT		
Corporation of the City of Toronto:—		
Sinking Fund Debentures: Proceeds	$11,988,241.43	
Debenture Discount and Expenses	1,037,758.57	
	13,026,000.00	
Less Funds in hands of City Treasurer for Redemption and Bonds redeemed before maturity	3,446,129.36	$9,579,870.64
Serial Debentures: Proceeds	11,810,848.34	
Debenture Discount and Expenses	356,151.66	
	12,167,000.00	
Less amount redeemed to date under terms of By-Laws and Debentures redeemed before maturity	1,923,775.93	10,243,224.07
Net Bonded Debt		19,823,094.71
CURRENT LIABILITIES		
Accounts Payable and Accrued Charges	1,272,631.59	
Corporation of the City of Toronto:		
Sinking Fund Instalments Accrued	42,651.56	
Serial Debenture Instalments Accrued	134,070.51	
Interest Accrued	53,750.00	1,503,103.66
OPERATING RESERVES		
For Depreciation of General Assets	4,396,371.95	
For Depreciation of Leasehold Property	60,482.28	
For Workmen's Compensation and Public Liability	410,284.63	
For Contingencies and Redemption of Taxes, Toronto and Niagara Power Company	85,360.33	
For Exchange on payment of Debentures and Interest thereon	97,375.31	5,049,874.50
CAPITAL RESERVES		
For Sinking Fund	3,446,129.36	
By Redemption of Serial Debentures	1,923,775.93	5,369,905.29
RESERVE FOR STABILIZATION OF RATES		
Balance brought forward from 1925	1,186,042.23	
Less Adjustments during the year	43,280.02	
	1,142,762.21	
Net Income from Revenue Account 1926	11,408.47	1,154,170.68
		32,900,148.84
INTEREST IN THE PROVINCIAL NIAGARA SYSTEM		
Share of Capital Cost of Provincial System on which interest and fixed charges are payable, less Sinking Fund Equity accrued	41,389,889.23	
Sinking Fund Equity	3,387,357.74	44,777,246.97
		$77,677,395.81

CONCLUSION

In conclusion, the Commissioners desire to testify to the efficient services of the staff, and to thank the City Council, the Toronto Press and the public for their continued confidence in the enterprise and their effective support.

Respectfully submitted,

BY THE BOARD OF COMMISSIONERS
THOMAS FOSTER, Mayor
P. W. ELLIS, Chairman **GEORGE WRIGHT, Commissioner**

General Manager's Annual Report

To the Toronto Electric Commissioners:

Gentlemen,—Herewith is submitted report of the operations of the Toronto Hydro-Electric System for the year ended December 31st, 1926.

The number of meters connected to the System has been increased by 6,936. The connected load of the System has increased by over 56,000 H.P., and the total energy consumption of the System's customers has been over 37,400,000 Kw. Hrs., in excess of the consumption in 1925.

GENERAL EXTENSIONS

The following is a summary of the work carried on by the Engineering Department during the year 1926.

STATION EQUIPMENT

There has been added to the Substation equipment during the year the following equipment:

3—1000 K.W. Transformers at Duncan Street, together with switchgear and general equipment for use with same. These are outdoor type transformers formerly in use at the High Level Station.

3—1000 K.W. Transformers at the Keele and St. Clair Substation, with switchgear and general equipment for use with same. These are new transformers.

3—1000 K.W. Transformers for the Outdoor Station erected on the Queen's Quay between John and York Streets, for supplying service to the Canadian Rail and Harbour Terminals Warehouse and neighborhood. These are new transformers.

6—500 K.W. Transformers at Defoe Substation. These were taken from other locations no longer required.

3—500 K.W. Transformers. Additional capacity installed at Portland Street Transformer House. These were taken from other locations no longer required.

9—60 K.V.A. Regulators at Carlaw and Gerrard Station, together with switchgear and equipment for three additional feeders.

The Wiltshire Avenue Stations completed last year have been equipped with Remote Control from the Junction Station.

Defoe Street Substation has been equipped with Remote Control from Duncan Street Station.

Considerable work has been carried out at Strachan Avenue Terminal Station with a view to increasing the rupturing capacity of Oil Breakers on the 13,200 volt main operating bus. This work has been completed and work is now under way with a view to reinforcing Oil Breakers on the auxiliary bus, and will be completed during the coming year.

We also have in hand work in connection with improving our relay protection throughout the System. This feature will be completed during the coming year.

DISTRIBUTION SYSTEM

Our underground work this year consisted of opening up 17,182 feet of trench and tunnels and installing therein 231,847 feet of duct, together with the necessary manholes and service boxes.

There have been installed the following new feeders:

6—New Feeders for 4150 and 2400 volt distribution.
2—New Feeders for Railway service.
1—New Feeder for 600 volt A.C. service.
1—New Main Feeder for 13,200 volt service.
5—New Sub-Feeders for 13,200 volt service.
5—Extensions for A.C. 115/230 volt service from downtown pits.

There was used in connection with our Underground work during the year

106,161 feet of lead covered cable of various sizes for feeders, mains and other connections requiring 882 joints and 350 terminals.

A large number of new pole type transformers were erected in new locations and replacing smaller transformers taken down,—the net gain for the year being 422 transformers installed with additional capacity of approximately 13,043 K.V.A.

During the year there were erected 1,231 cedar poles in the City, 404 concrete poles in the City, 275 cedar poles in York Township and 6 concrete poles in York Township.

During the same period there were removed 2,541 cedar poles in the City, 299 concrete poles in the City, 149 cedar poles in York Township, and 6 concrete poles in York Township.

The increase in the number of services in use within the city limits was 4,074, also during the same period there were installed 1,268 new services for York Township and Forest Hill Village.

The increase of actual meters in service during the year amounted to 6,936, of this number 4,008 were three wire. There were 1,116 two wire metered services changed to three wire during this period.

ELECTRIC HEAT FOR INDUSTRIAL PROCESSES

In recent years the application of electric heat to industrial processes has been increasing very rapidly. Electric energy is now used for the melting and heat treatment of metals; vitreous enamelling of metal ware; baking of japan; melting of compounds; commercial baking of bread, cake, pastries and meats; soldering irons, sterilizers; chocolate warmers; hair dryers; and numerous other heat applications.

For several years our Industrial Heating Engineers have been co-operating with the power consumers of the System in helping them decide what heating processes could be handled to the best advantage electrically. This service has also included advice as to the best method of operating Commercial Cooking Equipment, more particularly electric bake ovens and heavy duty ranges such as are found in restaurants, hotels and institutions. During the past year our Industrial Heating Engineers have visited Superintendents, Engineers and other Factory Executives to definitely sell to them the advantages of using electric heat in their heating processes, giving the electrical capacity necessary for various individual heat applications and the power cost for same. The total Industrial Heating (and Commercial Cooking) Load of the System now totals 12,000 horsepower and brings in an annual revenue of approximately $250,000.00.

CONCLUSION

It is with much pleasure that I again record sincere appreciation of the valuable services rendered by the staff, to whose efforts, combined with the splendid support of the Consumers and the public, is largely due the measure of success attained in the past. Our thanks are also due to those officials of the City who have so heartily co-operated with the System.

E. M. ASHWORTH, General Manager.

Lougheed & Taylor, Limited
Calgary, Canada

Bond, Insurance, Estates,
Farm Lands, Appraisals

We are well informed on the oil situation.

"Canada's Oldest Trust Company"
Opens MONTREAL Office

MARKING another step forward in a well laid plan of conservative development and expansion, and in order to further extend the scope of its service, the Toronto General Trusts Corporation has established, at 136 St. James Street, a Montreal Branch Office, for the transaction of a general Trust business.

The demand for the services of a reliable and efficient Trustee has brought about the expansion of this Corporation, until it now occupies a strong position among the leading financial institutions of Canada.

Total Assets Under Administration Exceed $159,000,000.

The
TORONTO GENERAL TRUSTS
CORPORATION
"Canada's Oldest Trust Company"—Established 1882

W. G. WATSON, *General Manager.* H. M. FORBES, *Asst. General Manager.*

Toronto Montreal Ottawa Winnipeg Saskatoon Vancouver

Rumor has it that Montreal will be recommended by the British experts as the site of mooring masts and terminals of the Trans-Atlantic Aerial Service.

Word from Omaha, Nebraska, quotes Roger Babson, as telling a gathering of Nebraska farmers to sell out and go to Western Canada where farming opportunities are greater.

BESCO RE-VAMPING KILL PLANS FOR WAGE INCREASE

Only Dominion Coal Earned Profit in Six Months

From Our Own Correspondent.

SYDNEY.—A substantial wage increase for the 8,000 miners employed by the British Empire Steel Corporation in Nova Scotia, which it was expected would be announced from Halifax soon, has been knocked on the head for the time being by publication of Besco's proposed financial reorganization plans, it is stated in usually well informed circles here.

The two-year contract entered into by the miners and the company in the spring of 1925 has still nearly a year to run, but under its terms, which are based upon the Duncan report, there are to be wage revisions every six months, according to the state of the coal industry, with the proviso that in no event will the scale fall below the present rates of pay.

Auditors Examined Records

The first of these periodic adjustments has just been attempted. Auditors for the men have had access to the company's books to determine the amount of business and profits for the past six months, with Gordon Scott, of Ottawa, acting for the U.M.W.

As is well known, the company has apparently had a very prosperous coal business practically since the beginning of 1926 and it was thought that the profits would justify a substantial increase to the men, and to a certain extent they do. Under the arrangement referred to, the surplus funds were to be kept in bank to guarantee the wage increase during the next six months, so that should business slack off in the meantime, there will be no need of wage revisions downward until the beginning of the next six month period, and so on.

Practice Less Workable Than Theory

That was the theory, but in practise some hitches have developed. In the first place the proposed reorganization of Besco has had the effect of tying up the "increase" funds indefinitely.

Then again it has been discovered that all the coal subsidiaries of Besco—Acadia, Cumberland Coal and Railway, Nova Scotia Coal and Steel, etc.—show actual working deficits for the period examined. Only the Dominion Coal Company shows a large profit.

Under the strict interpretation of the agreement, only Dominion Coal would therefore be obliged to make a wage increase to its men.

The U.M.W. chiefs are against any such partial increase, because it would result in wage "differentials" between different parts of District 26 and raise Cain in general among the miners. So the whole business is up in the air for the present at least.

Strikes Keep Output Down

The prospects of a slump in coal output for the balance of 1927 is at least remote, for President Roy M. Wolvin said the other day: "We have orders for all the coal we can mine this year."

Sporadic strikes during the month of May kept Besco coal production down to about 350,000 tons as against the 400,000 tons expected. The U.M.W. has called these recruiting walkouts at different mines to keep the union 100 per cent. Although the company feels the loss of the coal through these occasional idle days there has been no strong protest, as it was stated at the U. M. W. convention that ended the strike that Besco had agreed to assist the union as far as possible in enforcing the closed shop.

Just at present there is difficulty over the claims of the roadmakers whose compensation, set by the Duncan report at $3.50 a day, has been raised by the company to $5. The men claim contract rates under which they used to make as much as $10 to $15 a day. Their duties correspond to those of section men on a railway. The trouble is now being adjusted by conference between the company, the union and the provincial government, at Halifax.

The company expects to ship 2,500,000 tons of coal up the St. Lawrence, this season, about the largest output ever sold up the river. The quantity shipped to May 31 is about 100,000 in excess of the tonnage for the same period of 1926.

Mistakes

MISTAKES should always be reduced to a minimum, but if possible they should be entirely eliminated from your investment program where their cost may vary from a few thousand dollars to a million or more.

Investors everywhere are realizing the wisdom of becoming clients of Moody's.

MOODY'S
INVESTORS SERVICE
35 Nassau Street New York
CHICAGO BOSTON
PHILADELPHIA LOS ANGELES

Jamaica Public Service Earnings Show Improvement

Gross earnings of the Jamaica Public Service Co., for the twelve months ending April 30 last, are announced at $670,084, an increase of $35,290 over the figures of the corresponding twelve months of 1925-1926. Surplus, after shares, is shown as $197,025, as against $161,835 for the year ended April 30, 1926. The remarkable feature about this showing is that, with the exception of $100, the whole of the increase in gross earnings was retained in surplus.

Gross earnings for the month of April this year, show an increase of $4,000 over the same month a year ago, or at the rate of about $49,000 a year.

Drummond Investment Gross and Net Lower During 1926

Drummond Investment Co. reports gross revenues for the year ended December 31st last, of $332,517, leaving, after deducting operating expenses and taxes, a balance of $191,258, available for depreciation and first mortgage bond interest. The latter amounted to $123,467, so that, after depreciation, it was earned a little better than one and a half times. The sinking fund redeemed $50,000 of the bonds outstanding, during the year.

Both gross and net show a reduction from the previous year of about $20,000. This was due to the fact that early in the year several apartments were vacant. Since then the situation has much improved and on May 1st last, only two were vacant. The present outlook is that earnings for the current year will be greater than those recorded for 1926 and will compare favorably with those of 1925.

Underwear for Houses

The use of cattle hair in keeping houses warm is one of the interesting manufacturing developments of recent years, according to a bulletin recently prepared by the Natural Resources Intelligence Service of the Department of the Interior at Ottawa. The hair, after a chemical treatment to render it sanitary, vermin proof and odorless is felted into a batt and sewn between two layers of heavy paper to form blankets or quilts. Various grades of paper are used such as asphalt, asbestos, heavy building, etc., depending on the use and location of the quilt in construction. Quilts of this type are used for insulation and sound deadening and have been aptly described as "Underwear for Houses."

Savings Deposits Breaking Records

Canadian banking assets fall but $24,000,0000 short of the three billion dollar mark. An increase of $45,000,000 in assets in April brought the total to $2,976,944,553, close to the high record for all time. In October 1921, Canadian banks had total assets of $3,155,601,568. Within two years they had declined to around $2,500,000,000 when the upswing began again. Now the tendency continues upward, telling of Canadian prosperity.

Savings deposits stood at $1,405,213,554, at the end of April, the highest figure ever touched.

Other changes in the banks' statement are also of a character to indicate better business. Particularly is the rise in current loans evidence of the return towards normal business.

The Financial Post's analysis of the monthly bank statement follows:

BANK STATEMENT FOR MONTH OF APRIL

Immediately Available Liquid Resources

Assets

	April, 1927	March, 1927	Change	April, 1926	Change
	$	$	$	$	$
Specie	74,000,217	68,160,529+	5,839,688	66,992,733+	7,007,484
Dominion Notes	107,203,664	109,285,302—	2,081,638	117,323,061—	10,119,397
Gold Reserve	67,120,332	60,720,332+	6,400,000	62,460,332+	4,660,000
U. K. Banks	16,658,774	12,959,767+	3,699,007	11,709,137+	4,949,637
Foreign Banks	59,021,055	60,204,019—	1,182,964	61,141,604—	2,120,549
Foreign Curr.	20,758,637	21,251,920—	493,283	28,189,948—	7,431,311
Govt. Secs.	329,751,394	318,555,352+	11,196,042	355,888,016—	26,136,622
Call Loans Abroad	239,986,970	277,610,512—	37,623,542	205,844,448+	34,142,522
	914,501,043	928,747,733—	14,246,690	909,549,279+	4,951,764
Loans and Securities Other Than Those of Canadian Government					
Pub. Secs.	133,705,946	127,725,779+	5,980,167	130,213,699+	3,492,247
Rly. Secs.	64,157,627	63,521,296+	636,331	63,726,514+	431,113
Can. Call Loans	159,933,000	153,357,204+	6,575,796	147,879,528+	12,053,472
Current	1,022,450,926	994,988,280+	27,462,646	930,964,621+	91,486,305
Loans Abroad	275,973,458	282,782,936—	6,809,478	273,101,814+	2,871,644
Prov. Loans	9,452,091	10,858,874—	1,406,783	19,069,001—	9,616,910
Municipal	71,792,790	65,837,137+	5,955,653	74,684,652—	2,891,862
	1,737,465,838	1,699,071,506+	38,394,332	1,639,639,829+	97,826,009
Other Assets					
Non-curr. Loans	8,988,253	9,203,689—	215,436	9,503,316—	515,063
Real Estate	7,687,214	7,663,911+	23,303	8,547,915—	860,701
Mortgages	6,212,134	6,232,591—	20,457	5,376,630+	835,504
Premises	70,793,825	70,634,367+	159,458	72,316,764—	1,522,939
Lets. of Credit	73,273,471	73,312,958—	39,487	73,991,438—	717,967
Loans to Comp.	6,546,081	6,389,356+	156,725	5,089,152+	1,456,929
Other Assets	2,911,672	2,771,752+	139,920	3,005,258—	93,586
	176,412,650	176,208,624+	204,026	177,830,473—	1,417,823
Total	2,828,379,531	2,804,027,863+	24,351,668	2,727,019,581+	101,359,950
Note Cir. Dep.	5,778,741	5,783,307—	4,566	5,810,527—	31,786
Int. Bk. Bal.	142,786,281	121,942,459+	20,843,822	125,718,853+	17,067,428
Gross	2,976,944,553	2,931,753,629+	45,190,924	2,858,548,961+	118,395,592
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	172,105,609	163,807,355+	8,298,254	161,311,976+	10,793,633
Dom. Govt.	29,100,424	23,729,192+	5,371,232	41,894,451—	12,794,027
Prov. Govt.	23,283,100	22,733,224+	549,876	27,285,727—	4,002,627
Govt. Advances	20,800,000	12,500,000+	8,300,000	21,000,000—	200,000
Deposits by Public					
Demand Dep.	564,871,807	551,146,765+	13,725,042	537,262,710+	27,609,097
Savings Dep.	1,405,213,554	1,396,800,107+	8,413,447	1,340,450,250+	64,763,304
Total	1,970,085,361	1,947,946,872+	22,138,489	1,877,712,960+	92,372,401
Foreign Dep.	348,731,958	342,602,392+	6,129,566	325,985,694+	22,746,264
Due Banks Abroad, Etc.					
United Kingdom	3,145,126	5,681,367—	2,536,241	5,091,086—	1,945,960
Foreign	37,588,041	42,635,476—	5,047,435	40,075,291—	2,487,250
Bills Pay.	7,697,677	7,814,664—	116,987	9,765,726—	2,068,049
Lets. of Credit	73,273,471	73,312,958—	39,487	73,991,438—	717,967
Other Liab.	2,292,736	2,170,503+	122,233	1,714,534+	578,202
Pub. Liab.	2,688,103,503	2,644,934,003+	43,169,500	2,585,828,883+	102,274,620
Due Bet. Banks	15,925,355	14,040,400+	1,884,955	10,971,245+	14,954,110
Liability to Shareholders					
Dividends	1,327,605	701,413+	626,192	1,327,548+	57
Reserve	129,695,980	129,416,920+	279,060	125,441,700+	4,254,280
Capital	121,418,940	121,139,880+	279,060	116,164,660+	5,254,280
Gross	2,956,471,383	2,910,232,616+	46,238,767	2,839,734,036+	116,737,347

Western Investments

Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.

Our organization covers every section of the province.

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Vancouver, Canada

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of Joint Stock Companies and other Public Bodies
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Patron—HIS MAJESTY THE KING
Examinations—
JUNE and DECEMBER
Full particulars on application to the Secretary:
W. TAYLOR,
Room 300, National Bldg.,
347 Bay St., Toronto
Phone: ELgin 1087 HUdson 7542J

Return of the Chartered Banks of the Dominion of Canada, April 30th, 1927

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due. to other banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	43,266,298	17,313,531	....	6,650,922	148,507,471	396,692,979	87,413,809	2,500,227	1,043,495	4,991,691	642,389
Nova Scotia	14,954,356	2,101,894	....	482,618	29,543,089	123,465 863	33,131,868	2,722,240	53,905	1,092,557	324,186
Toronto	7,733,578	338,629	3,500,000	605,435	29,777,328	58,746,340	....	3,372,117	160,541	1,770,582	732,223
Provinciale	4,268,768	136,608	800,000	236,082	5,806,418	33,006,659	....	915	....	25,624	....
Commerce	27,489,482	2,974,090	11,000,000	3,624,767	116,251,517	228,235,065	38,873,904	1,941,236	767,421	9,262,353	821,693
Royal	37,362,569	2,242,344	....	7,258,934	136,868,572	287,264,024	185,059,945	1,202,765	280,888	16,768,063	4,944,961
Dominion	7,472,212	1,089,038	1,000,000	349,690	26,865,621	65,029,514	2,900,901	1,841,169	226,736	1,194,129	232,225
Standard	6,362,790	600,744	4,500,000	494,357	19,966,863	51,033,224	....	1,013,171	101,821	1,610,676	....
Nationale	12,628,564	782,147	....	1,162,159	20,330,358	88,814,046	1,351,531	2,264	153,608	666,208	....
Imperial	9,964,235	1,434,588	....	2,392,128	28,759,758	69,970,283	....	1,329,251	356,711	186,601	....
Weyburn Security	602,757	86,811	....	26,008	2,194,812	2,955,557	....	....	....	19,558	....
Total	172,105,609	29,100,424	20,800,000	23,283,100	564,871,807	1,405,213,554	348,731,958	15,925,355	3,145,126	37,588,041	7,697,677

NAME OF BANK	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes held	Greatest amount notes in circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	11,825,400	1,220,330	907,334	29,916,700	29,916,700	782,809,282	31,175,000	12	924,243	30,457,458	50,548,402	45,045,266
Nova Scotia	6,535,031	120,155	15,464	19,500,000	10,000,000	244,043,233	15,000,000	16	3,605,883	9,173,863	6,382,273	15,800,746
Toronto	1,682,701	163,718	2,462	7,000,000	5,000 000	120,585,657	10,000,000	12	2,163,084	371,167	4,186,402	8,152,545
Provinciale	24,530	25,643	7,000	1,500,000	4,000,000	49,838,250	5,000,000	9	....	177,660	384,351	4,406,463
Commerce	13,538,507	....	9,039	20,000,000	20,000,000	494,789,080	25,000,000	12	5,521,377	17,853,000	14,514,000	28,580,832
Royal	35,455,641	40,666	23,246	28,654,280	28,654,280	772,081,186	40,000,000	12	2,607,523	10,565,067	10,209,291	38,702,027
Dominion	2,285,791	587,171	3,682	7,000,000	6,000,000	124,077,884	10,000,000	12	832,720	2,139,000	4,210,000	8,059,492
Standard	360,195	135,000	145,826	2,900,000	4,823,400	94,048,070	5,000,000	12	103,784	476,066	2,362,869	6,399,575
Nationale	858,212	....	2,547	5,500,000	5,500,000	137,751,648	10,000,000	10	585,875	836,829	3,617,742	12,911,739
Imperial	699,963	....	210,565	7,500,000	7,000,000	129,804,088	10,000,000	12	162,011	1,019,354	4,156,636	10,499,468
Weyburn Security	7,500	....	440	225,000	524,560	6,643,005	1,000,000	5	116,554	25,476	35,219	679,562
Total	73,273,471	2,292,683	1,327,605	129,695,980	121,418,940	2,956,471,383	162,175,000	......	16,623,054	73,094,940	100,607,185	179,237,715

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal°	38,213,500	49,251,266	3,826,419	712,307	26,155,690	95,581	18,490,374	90,007,661	28,605,880	3,935,421	16,905,143	132,790,128
Nova Scotia	9,223,656	5,203,305	1,111,709	1,822,650	10,405,957	....	3,823,043	26,854,031	11,089,759	13,525,732	25,690,507	7,472,774
Toronto	431,733	4,676,210	541,425	100,576	8,988,782	....	3,474,733	17,148,094	3,073,557	4,621,012	10,541,511	....
Provinciale	184,823	390,882	585,295	54,678	1,722,907	2,624,367	266,203	6,949,009	2,194,963	4,590,748	8,293,294	....
Commerce	10,810,510	11,617,161	2,182,850	1,101,982	20,130,818	593	15,361,358	55,333,341	28,150,774	10,346,335	25,925,966	29,963,848
Royal*	10,572,179	20,068,265	3,638,244	16,358,509	31,730,775	1,263	26,876,948	69,892,065	32,025 367	19,395,517	29,677,335	59,770,170
Dominion	2,132,083	4,674,722	1,071,525	159,889	6,056,357	....	1,793,047	14,947,357	4,307,301	2,383,985	9,759,693	3,990,050
Standard	485,911	2,930,883	626,734	61,588	4,537,074	....	1,029,102	9,731,848	3,052,541	3,336,335	12,712,226	....
Nationale†	903,930	1,854,830	1,625,410	224,893	5,231,779	361,182	1,829,473	22,977,073	12,208,985	1,696,464	8,678,397	....
Imperial	1,016,410	6,497,272	896,956	160,164	6,709,732	760,646	2,439,979	14,866,951	8,987,505	61,337	11,747,928	5,500,000
Weyburn Security	25,482	38,868	27,425	1,401	29,572	1,109,214	295,569	1,043,964	9,314	264,741	....	500,000
Total	74,000,217	107,203,664	16,133,992	20,758,637	121,699,443	4,952,846	75,679,829	329,751,394	133,705,946	64,157,627	159,933,000	239,986,970

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal°	247,131,754	51,983,926	25,037,588	2,115,102	763,973	1,187,640	11,800,000	11,825,400	1,420,787	19,000,000	2,302,960	503,262	784,112,774
Nova Scotia	81,170,493	21,656,244	5,897,638	505,197	38,399	95,409	7,144,076	6,535,031	491,582	5,750,000	....	191,090	245,638,293
Toronto	57,462,097	....	2,186,572	133,793	....	200,417	3,348,752	1,682,701	256,775	3,555,866	....	....	122,424,621
Provinciale	16,672,246	....	1,889,928	139,979	593,015	240,410	1,856,027	24,530	158,400	600,000	....	203,018	50,239,730
Commerce	195,204,642	27,532,956	20,931,474	2,445,249	2,152,544	1,007,227	11,785,027	13,538,507	1,000,000	11,000,000	1,724,842	343,289	499,591,305
Royal*	203,730,965	173,097,212	8,731,974	2,508,012	1,938,858	1,427,465	14,566,119	35,455,641	1,245,000	11,000,000	2,518,279	517,433	776,743,605
Dominion	60,572,748	1,621,792	893,920	252,889	42,310	36,926	5,712,924	2,285,791	310,000	2,000,000	....	424,473	125,434,791
Standard	46,965,071	....	2,078,895	455,393	313,188	261,265	3,707,844	360,195	250,000	1,900,000	....	107,585	94,903,696
Nationale†	58,940,065	81,328	6,114,669	187,109	1,215,316	945,648	5,525,999	858,212	281,035	7,500,000	....	312,707	139,554,513
Imperial	52,255,722	....	7,419,445	202,490	447,708	665,279	5,090,970	699,963	337,630	4,514,466	....	297,558	131,576,121
Weyburn Security	2,345,123	....	7,778	43,035	176,903	144,447	256,087	7,500	27,532	300,000	....	71,152	6,725,113
Total	1,022,450,926	275,973,458	81,244,881	8,988,253	7,687,214	6,212,134	70,793,825	73,273,471	5,778,741	67,120,332	6,546,081	2,911,567	2,976,944,553

**Of this deposit, $20,670,333 is in gold coin; the balance is in Dominion notes.

°The business of the bank in Paris, France, and in San Fancisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement. Footnote to Bank of Montreal return.

*The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

†The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, JUNE 9, 1927.

FOREIGN EXCHANGES

Canadian Dollar Still Discounted

Although New York funds sold at a premium of 1-32 to 1-16 of one per cent., the situation improved during the week as a result of New York purchasing wheat for export and also because of the flotation of the $65,000,000 Canadian National Railway loan, most of which was placed in the United States. Thus there was a good demand for Canadian dollars and exchange hovered at or near par most of the time. It is not at all unlikely that New York funds will sell at discount very shortly, as most of the heavy commitments have already been taken care of.

The heavy shipments of gold from the Bank of England to the Bank of France have been temporarily halted. On the other hand, foreign capital is pouring into that country at an unprecedented rate, and the Bank of France has been forced to buy exchange totalling nearly 800,000,000 francs. The problem now confronting the Bank of France is to dispose of its sterling in such a way as to halt a speculative campaign on rise in the Franc. Negotiations to this end with the Bank of England are now under way. The purchase of gold from England or the United States is out of the question, and it is possible that the French Bank rate may be lowered with a view to further reducing the yield on capital and checking the inflow, but even this move is doubtful.

Buying of Italian lire was very active during the week, on the basis of an optimistic statement on Italian conditions by the Minister of Finance. On Tuesday last the lire jumped five points, the movement corresponding to that of June 2nd when the Minister of Finance declared the Government's intention to stabilize the lire around 5.63 cents.

Argentine pesos and Spanish pesetas also came in for some attention, the latter developing weakness on account of the report that Spain had decided not to pay interest on foreign speculative accounts. Although there has been no official announcement in this connection, heavy bear selling took place early in the week. Argentine pesos rose to above parity and it is possible that that country may be taker of gold from the market before very long. Argentine has been enjoying an exceptionally good export trade, and the country's finances have been undergoing a steady consolidation in the past several years.

Sterling and other foreign exchange were steady, particularly Dutch guilders and Danish kroners which reached new high marks.

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last Year High	Last Year Low (Discount)
June 9	1-64	Par	1-16	5-64
June 10	1-64	Par	5-64	3-32
June 11	1-64	Par	3-32	7-64
June 13	1-64	Par	7-64	7-64
June 14	3-64	1-64	7-64	7-64
June 15	5-64	1-16	7-64	1-8

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
June 9	4.85 5/16	3.91½	5.50¼
June 10	4.85 5/16	3.91½	5.50¼
June 11	4.85 5/16	3.91½	5.50½
June 13	4.85 5/16	3.91½	5.51¼
June 14	4.85⅝	3.91½	5.57½
June 15	4.85 5/16	3.91½	5.53¾

FOREIGN EXCHANGE

Par		June 8	June 15
13.90	Italian	5.50	5.54½
32.45	Brazilian	11.78	11.80
23.82	German	23.70	23.72
19.30	Belgian	2.78	2.78
84.85	Japan	46.5	46.45

TO ARGUE BROOKS MATTER AT OTTAWA

Shareholders' Committee Apparently Has Lost Long-Drawn-Out Proxy Battle

Brooks Steam Motors will be inquired into by the secretary of state at Ottawa this week. F. W. Wegenast, counsel for the shareholders' committee, and representatives of O. J. Brooks and his associates will argue the question as to whether or not the secretary of state should appoint an inspector for the company.

A further meeting of shareholders of the company is being held in Stratford, June 17, when the result of the polls demanded by Mr. Wegenast on May 27th will be announced. It is expected that the majority of the shares were voted with O. J. Brooks and his associates.

The preferred stock votes were not counted by the scrutineers. It is the contention of the shareholders' committee that the preferred stock votes, dividends have not been paid for four consecutive half-yearly periods. Certain of the common stock at present resting with Mr. Brooks and Brooks Securities also was not counted.

The shareholders' committee is attempting to have the various recent meetings of the shareholders nullified and a further meeting held under the direction of the court.

Henry J. Stewart
Mining Engineer

Exploration and Mining Programs

523 Insurance Exchange Bldg.
MONTREAL

ICE-O-MATIC WILL MOVE TO OSHAWA

Changes in Board of Refrigeration Company Are Announced

Several rumors have been circulating recently regarding impending changes in the Ice-O-Matic Refrigeration Co. A few weeks ago, it was reported that three prominent Oshawa men were added to the board of directors, to replace two men who had been active in the original promotion of the company. An official of the company this week confirmed this report and also stated that these appointments had been made on the understanding that the company's plant would eventually be moved from Walkerville to Oshawa. This move is not to be made for at least two or three months, however, in order that the company may take advantage of the busy season by production at the present plant.

The company was formed last July, to manufacture in Canada, electrical refrigeration units under the Stitt patents, and control rested with H. S. Pritchard and W. F. Morgan-Dean, who were originally responsible for the undertaking. These men have now resigned from the board, but are still actively engaged on the production end of the business. It is understood that at present no particular group has actual control of the company but that plans are being formulated for promoting the company's interests in the future at Oshawa. The new directors are Frank L. Mason, Alex. Storey, and John Stacey, all of Oshawa.

BRADING BREWERIES' EARNINGS GROWING

Company Serves the Prosperous Territory in and About Ottawa and Hull

From Our Own Correspondent.

MONTREAL—The shares of the Brading Breweries were recently listed on the Montreal Curb Market and now change hands at around 25 a share. The company has no bonded indebtedness and its outstanding capitalization consists of 39,000 shares of 7 per cent., preferred stock and 22,000 shares of common stock.

The Brading brewery has been in continuous and successful operation for over 62 years. Its products are well and favorably known, especially in and around the Ottawa-Hull area.

The plant is located in Ottawa; it has a capacity of 150 barrels of bottled beer a day. This capacity is being increased to 250 barrels a day with but small additional cost to the company.

The value placed on its physical assets is in excess of $307,000, which, with net current assets, gives the company total tangible assets of over $400,000. In this figure is not included anything under goodwill, trade marks or licenses, although its products are well-known.

Sells Also In Quebec

The company, during the prohibition period in Ontario, enjoyed a satisfactory market in the province of Quebec and the introduction of government control in Ontario naturally opens up a much wider field for its operations.

In dealing with the earning power of the company, the stock brokerage house of Mowat and MacGillivray, of Ottawa, say in a bulletin on the company:

"Based on the present profitable business of the company and the additional business that will undoubtedly develop in Ontario, at present capacity net earnings, after depreciation, are estimated at $3 per barrel, which would mean an annual profit of $135,000 (representing $6 per share on the common stock). This is a conservative estimate and earnings may be substantially greater. A two dollar dividend is about to be declared."

TRAIL SMELTER RECEIPTS

The Consolidated Mining and Smelting Co. ore receipts at Trail Smelter from June 1 to June 7, 1927, inclusive, and from Jan. 1, 1927 to date, in tons:

Company's mines	8,351	177,570
Other mines	3,359	73,189
	11,710	250,759

Increase Your Sales 15% to 25% the First Year

The services of a man who is responsible for some of the most successful advertising campaigns in Canada, are now available. We believe this man can increase your net profits 15% to 25% the first year. He has been wonderfully successful as a letter writer. He is a good salesman and a man of attractive personality. He understands finance.

Write for particulars.
The Financial Post
BOX M 60
Southam Building, Montreal

The Real Estate Loan Company of Canada, Limited

Notice is hereby given that a Dividend at the rate of three and one-half per cent. for the half year ending 30th inst. has been declared upon the Capital Stock of the Company and that the same will be payable at the Offices of the Company on and after the 4th July, 1927, to Shareholders of Record of 20th June, 1927.

By Order of the Board.
E. L. MORTON,
Managing Director.
Toronto, 10th June, 1927.

Open for Engagement
EXECUTIVE ACCOUNTANT

Broad experience in United States and Canada.
Has constructive accounting ability.
Can develop budget planning and control through authorized expenditures.
Competent in the preparation of financial statements and reports on corporate relations.
Experienced in the analysis of operating results.
Canadian born, age 38, Chartered Accountant and member of American Institute of Accountants.

Address: "Accountant"—
c/o J. J. Gibbons Limited - Toronto

NATION'S BUSINESS

(Continued from page 1)

years ago, Mackenzie Williams, a Toronto bond man, outlined proposals for debt retirement by the Dominion, the provinces and the municipalities.

* * *

THE publicity agents for the wheat exchange speculators have had their fling and now more sober, sensible news comes out of the West regarding crop prospects. It is apparent that agricultural prospects throughout the prairie provinces are sufficiently satisfactory to be encouraging. Of course, a smaller acreage has been planted but acreage is only one factor in determining the ultimate size of the crop. Another factor, for instance, is soil moisture and in moisture the west is abundantly supplied this year. The crop has been somewhat late in the planting this year, but again late planting is less of a factor than formerly because of the rapidly growing wheats that have been generally developed in recent years.

It is impossible now to forecast whether the West will have a bumper harvest or a crop failure; prosperity or difficulty. But there is as much more reason to expect moderate prosperity than failure.

OWNERS OF STOCK IN ARCADE, LTD., GET 50 PER CENT.

(Continued from page 1)

Co., has given rise to reports that the Robt. Simpson Co. also was contemplating entering the Hamilton field. The G. W. Robinson Co. has been specifically mentioned as the object of the Simpson negotiations.

The current issue of Hardware & Metal, however, contains a denial from C. L. Burton, general manager of Simpson's, that the Robinson store is about to be purchased by Simpson's. The retail trade generally looks for the Simpson company to enter the Hamilton field.

Entrance of the Eaton company in the Hamilton field enhances the importance of that city from a retail point of view. Moreover, it helps to establish the claim of James Street as the retail centre of the city. There has been a certain hesitancy on the part of retailers there as to whether James or King Street was going to be the better section in Hamilton. Eaton's going to the Arcade is a step which materially favors the James Street people, in the opinion of some of the observers of real-estate conditions in that city.

The Trinidad Electric Company, Ltd.

Notice is hereby given that a dividend of 1¼% for the quarter ending June 30th, 1927, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each Shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 11th of July, 1927.

The transfer books of the Company will be closed from the 1st to the 11th of July, 1927, both days inclusive.

By order of the Board.
F. B. OXLEY, Secretary.

MARCUS LOEW'S THEATRES, LIMITED

Dividend Notice

Notice is hereby given that the Directors of the Company have declared a dividend of 3½% on the preference shares of the Company for the half year ending the 30th day of June, 1924, payable on the 15th day of July, 1927, to shareholders of record on the books of the Company at the close of business on the 30th day of June, 1927.

By Order of the Board,
S. D. FOWLER,
Secretary.

CANADIAN PACIFIC RAILWAY COMPANY

Dividend Notice

At a meeting of the Board of Directors held to-day, a Dividend of Two and One-half per cent. on the Common Stock for the Quarter ended 31st March last was declared from Railway Revenues and Special Income, payable 30th June next to Shareholders of record at three p.m. on 1st June next.

By Order of the Board,
ERNEST ALEXANDER,
Secretary.
Montreal, 4th May, 1927.

National Grocers Company Limited, Toronto

Dividend No. 7

Notice is hereby given that a dividend of two per cent. being at the rate of eight per cent. per annum, upon the First Preference Stock of this Company, has been declared payable July 1st, 1927, for the quarter ending June 30th, 1927, to shareholders of record at the close of business June 15th, 1927, and that the transfer books of the company be closed as to the transfer of First Preference Shares on the 16th day of June, 1927, to the 30th day of June, 1927, both days inclusive.

By order of the Board of Directors.
A. C. PYKE, Sec'y-Treas.

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Dividend Notice

Notice is hereby given that the regular half-yearly dividend of 3%, being at the rate of 6% per annum, has been declared, payable on July 1st, 1927, to shareholders of record June 20th, 1927. Transfer books of the Company will be closed from June 20th to June 30th, both days inclusive.

By Order of the Board.
J. R. LOVATT,
Secretary.

THE
STERLING
TRUSTS
CORPORATION
10-12 EAST KING ST TORONTO
BRANCH AT REGINA, SASK.

ASSISTANT AVAILABLE
Young man holding confidential position in financial work seeks more active sphere of usefulness as assistant to busy executive.
Box M 313
The Financial Post,
1070 Bleury St., Montreal

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st July, 1927, to Shareholders of record on the books of the Company at the close of business on the 15th instant.

By order of the Board.
W. GILLESPIE,
Manager.

Canadian Car & Foundry Company, Limited Montreal

Dividend Notice

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the paid-up Preference Stock of the Company for the quarter ending June 30th, 1927, has been declared, payable on the 9th day of July, 1927, to Shareholders of record on the 25th day of June, 1927.

By order of the Board.
A. C. BOURNE, Sec'y.
Montreal, June 10th, 1927.

POWER CORPORATION OF CANADA
LIMITED

Preferred Dividend No. 8

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of this Company, for the quarter ending June 30th, 1927, payable July 15th 1927, to shareholders of record at the close of business, June 30th, 1927.

By order of the Board,
L. C. HASKELL, Secretary.
May 20th, 1927.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA
LIMITED

Northern Ontario Light & Power Co., Ltd.

DIVIDEND No. 31

A DIVIDEND of 3% (being at the rate of 6% per annum) on the 6% Cumulative Preferred Stock of the NORTHERN ONTARIO LIGHT & POWER COMPANY, LIMITED has been declared for the six months ending June 30th, 1927, payable July 25th, 1927, to shareholders of record at the close of business June 30th, 1927.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, May 20th, 1927.

The Consolidated Mining and Smelting Company of Canada, Limited

DIVIDEND No. 46

Notice is hereby given that a Dividend of Five Per Cent. (5%) on the paid-up Capital Stock of the Company for the six months ending June 30th, 1927, and a Bonus of Five Dollars ($5.00) per share, have this day been declared, payable on the 15th July, 1927, to shareholders of record at the close of business on the 30th day of June, 1927.

By Order of the Board,
J. E. RILEY,
Secretary.
Montreal, June 6th, 1927.

ABITIBI POWER & PAPER COMPANY LIMITED

Dividend Notice

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the Preferred Stock of the Abitibi Power & Paper Company Limited, payable the 4th day of July, 1927, to shareholders of record at the close of business the 20th day of June, 1927.

By order of the Board,
W. H. SMITH,
Secretary-Treasurer.

DIVIDEND NOTICE

Monarch Mortgage & Investments Limited

Preferred and Common Dividends

Notice is hereby given that a dividend at the rate of 8 per cent. per annum has been declared upon the "PREFERRED SHARES" of Monarch Mortgage and Investments, Limited, also a dividend of five cents (5c.) per share upon the "NO PAR VALUE COMMON STOCK" of the Company.

The above dividends will cover the six months' period ending June 30th, 1927, and will be paid July 15th, 1927, to shareholders of record June 30th, 1927.

By Order of the Board,
Toronto, June 9th, 1927.
EDWARD A. TANNER,
Secretary.

The Toronto General Trusts Corporation

DIVIDEND NO. 124

NOTICE is hereby given that a dividend of three per cent. (3%), has been declared upon the paid-up capital stock of this Corporation for the quarter ending June 30th, 1927, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same will be payable on and after Saturday, the second day of July, 1927. The Transfer Books of the Corporation will be closed from Thursday, the 16th day of June until Thursday, the 30th day of June, both days inclusive.

By order of the Board of Directors,
W. G. WATSON,
General Manager.
Toronto, June 1st 1927.

Office Manager
WITH 20 years' accounting experience desires position that offers advancement. English, age 39, married. Would leave Toronto if necessary. Apply Box 54, FINANCIAL POST, Toronto, Ont.

SASKATOON SCHOOL DISTRICT NO. 13

of Saskatchewan, invites tenders for the purchase of $180,000, five per cent., thirty-year sinking fund debentures in denominations to suit purchaser, to be dated September 15, 1927. Interest payable semi-annually, bidders to quote alternatively for redemption of principal and interest in New York and Canada and in Canada only. Bids received subject to passing of by-law by rate payers voting June 29 and approval of price by local government board. Bids received until noon of Thursday, June 30. Payment and delivery at Saskatoon. Board reserves the right to reject any or all offers.

WILLIAM P. BATE,
Treasurer.
321—21st St. E., Saskatoon.

$627,594.01 City of Ottawa Ontario DEBENTURES FOR SALE

SEALED TENDERS addressed to the "Chairman of the Board of Control," and marked "Tender for Debentures," will be received by the Board's Secretary, City Hall, up to 2 p.m., (Standard Time), on Tuesday, June 21st, 1927, for the purchase of Debentures of the following amounts and terms:—

$196,375.66	10 years
33,657.78	15 years
397,560.57	20 years
$627,594.01	

All Debentures bear interest at the rate of 4½%, (with the exception of Bylaw Number 5987, Local Improvements (Sewers) for $44,347.37, which bears interest at the rate of 5%) and are issued on the instalment plan. That is to say, each issue is repaid in such annual amounts that the aggregate amount paid for principal and interest in any year is equal as nearly as may be to the amount so payable for principal and interest in each of the other years. Each Debenture is, however, for a definite amount payable at the end of some year with interest coupons attached payable semi-annually. Interest is payable 1st January and 1st July.

The Debentures are an obligation of the City at large, are issued in coupon form, with provision for registration of principal, bear date 1st July, 1927, and are in denominations of $1,000.00, $500.00, and such odd amounts as are necessary.

Debentures will be delivered subject to the legal opinion of Long & Daly, Toronto, on this issue, a certificate of which will be printed on each Debenture. The City is paying for the legal opinion.

The Debentures are payable both in the United States and Canada.

Debentures will be paid at the branches of the Bank of Nova Scotia at Ottawa, Toronto, and Montreal, and payable in the United States at the National Bank of Commerce, New York.

All tenders must be on the official form.

Tender forms will be ready for delivery about June 10th, 1927.

Accrued interest from the 1st July, 1927, must be paid in addition to the price tendered. The Debentures date from July 1st, 1927.

Tenders specifying for Debentures other than those herein described, or containing conditions varying from the above, will not be considered.

Delivery of the Debentures will be made in Ottawa about August 2nd, 1927, upon payment of the purchase money.

A certified cheque payable to the City Treasurer for the sum of $10,000.00 must accompany the tender.

The highest or any tender not necessarily accepted.

Full particulars, together with further conditions and official forms of tender, can be obtained on application to the City Treasurer, City Hall, Ottawa, Ont.

JOHN P. BALHARRIE,
Mayor.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1927, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 4th day of July, 1927, to shareholders of record of the 20th June, 1927.

By order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 26th May, 1927.

DEBENTURES FOR SALE

Tenders will be received by the undersigned up to noon of Monday, the 27th day of June A.D. 1927, for the sale by the Corporation of the County of Renfrew, of debentures as follows: $15,000.00 5½ per cent. twenty years for paying the share of the County of Renfrew for the building of certain bridges within the County of Renfrew under "The Highway Improvement Act." Debentures dated Nov. 1st, 1926, payable in twenty equal annual instalments at the Pembroke Branch of the Bank of Nova Scotia. Tenders must be with interest. These debentures are issued pursuant to By-law No. 1081 of this Corporation and have been validated and certified by the Ontario Railway & Municipal Board.

No tender necessarily accepted.

Mark envelope "Tenders."

Dated at Pembroke this 1st day of June, A.D., 1927.

R. J. RONEY, County Clerk,
Pembroke, Ont.

CITY OF MOOSE JAW

Sealed tenders endorsed "Tender for Debentures" will be received by the undersigned up to 11.00 A.M. on Saturday, the 25th day of June, 1927, for the following debentures amounting to $186,518.00:

Purpose	Term	Amount
Sewer and Water House Connections	10 years	$4,400.00
Concrete Sidewalks	15 years	7,200.00
Sewer and Water Mains	30 years	1,600.00
Water Mains	30 years	43,318.00
Hospital Extensions	30 years	130,000.00

These debentures will bear interest at a rate of 5% per annum, payable half yearly, with principal payable at the date of maturity.

These debentures are a direct obligation of the City at large.

Alternative offers on the basis of interest and principal payable in Canada only and in Canada and the United States will be received.

Tenderers may bid on any or all of these issues.

Parties tendering are requested to state net price for Moose Jaw payment and delivery of securities.

The highest or any tender not necessarily accepted.

W. W. DAVIDSON, Mayor,
GEO. D. MACKIE,
City Commissioners
2nd June, 1927.

Canada Province of Quebec District of Three Rivers

PUBLIC NOTICE is hereby given that THE COUNCIL OF THE CITY OF THREE RIVERS will receive until MONDAY, the TWENTY-SEVENTH day of JUNE, 1927, at four o'clock P.M. (SUMMER TIME), at the office of the undersigned, written sealed tenders, endorsed "TENDER FOR DEBENTURES," for the purchase of TWO HUNDRED AND FIFTY ONE THOUSAND DOLLARS ($251,000.00), of bonds of the City of Three Rivers, issued under By-Law No. 47, dated May 1st, 1927, and maturing by series from May, 1928, to May, 1957, the whole bearing interest (a) at the rate of five per centum (5%) per annum; (b) at the rate of four and a half per centum (4½%) per annum, payable semi-annually the 1st May and November in each year.

The Principal and interest payable at the chief office of LA BANQUE CANADIENNE NATIONALE in the City of Montreal, or at any of the branches of the said Bank in the cities of Three Rivers, Montreal or Quebec, at the holder's option. These bonds shall be issued in denominations of $100.00 or its multiples at the option of the purchaser. Every tender must be accompanied by a certified cheque equal to one per cent. of the par value of this issue. The cheques deposited by the tenderers whose offers are not accepted, shall be handed back to them without delay, that of the tenderer whose offer is accepted shall be handed back to him after the execution of his contract, without interest.

Every tender shall specify whether the price offered does or does not include the interest accrued on the bonds at the time of their delivery. The City of Three Rivers does not bind itself to accept any of the tenders. The tenders will be considered by the Council of the City of Three Rivers at a meeting which will be held Monday, the 27th of June, 1927, at 8 o'clock P.M., (Summer Time), or at adjournment of said sitting.

Particulars of this issue and the table of maturity of serial bonds may be secured on application to the Undersigned.

ARTHUR NOBERT,
The Treasurer of the City of Three Rivers.
Three Rivers, Que.,
The 8th of June, 1927.

Canadian Mining News

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XXI. 10c. a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, JUNE 17, 1927 Member of Audit Bureau of Circulations No. 24

Sudbury Nickel Copper Ore Reserves Enough to Last for 100 to 150 Years

Ontario's Minister of Mines Pictures Very Bright Outlook

Says Frood Mine May be Justly Regarded as One of the Most Valuable Mines in the World

BUNKER HILL TO ERECT CUSTOMS SMELTER

Development of Lead-Zinc-Copper Deposit Near Chelmsford Will Require 50,000 H.P. — Nickel Output Up

High-Lights of Hon. Chas. McCrea's Article on the Future of Sudbury

"There are undoubtedly enormous reserves of nickel ore, enough to keep the mines busy at the present rate of production for the next 100 to 150 years."

"It is believed that the Frood Mine contains at least 100 million tons of ore — it may justly be regarded as one of the most valuable mines in the world."

"Vigorous developments are already being carried on by the Bunker Hill-Sullivan, whose program includes the erection of a smelter and refinery, requiring for its operation about 50,000 h.p. which it is expected will be developed within 100 miles of the works."

"This smelter should prove of immense value to the operators of the district and to the North Country generally as it is expected that it will treat customs ores."

"Great as is the past of Sudbury, it will be seen from the foregoing review of the recent developments that the miners of the district are reaching forward to still greater achievements for the future."

"There is still ample room for expansion and enterprise in the nickel industry itself."

"With this wider distribution of refined nickel — the market has been enlarged and the output to-day is 40% in excess of that of the highest pre-war production."

"1926 production of Sudbury mines — 66 million pounds metallic nickel."

By HON. CHAS. McCREA,
Minister of Mines for Ontario

The future of a mining field is not to be judged by past production, but rather by its known reserves and by the discovery of new resources. All mines are mortal, and unless the life of a camp is being renewed by the disclosure of new resources from time to time its existence as a centre of industry can be measured.

Future of Area is Very Promising

Regarded from this point of view, the future of Sudbury as a mining area is very promising. In the first place there are undoubtedly enormous reserves of nickel ore, enough to keep the mines busy at the present rate of production for the next 100 to 150 years. This fact has been known for some time, but within recent months the future life of the camp has been thrust beyond the limits of pre-vision by two important new discoveries.

New Discoveries Quite Recent

One of these discoveries is an entirely new find in the shape of a rich lead-copper-zinc ore deposit in an undeveloped area at the centre of the Sudbury nickel basin. The other discovery was made in a mine that has already been worked. By means of diamond drilling at depth it was found that an immense body of ore, particularly rich in copper, lay unguessed, beneath the old workings.

For some years the Creighton mine has been the chief source of ore for the International Nickel Company, and it still contains great reserves.

Frood Discovery

Recent developments have revealed the presence of rich copper deposits in the No. 8 or Frood mine. The company has sunk a shaft which has reached a depth of 1,000 feet. Exploration by diamond drill disclosed a very large body of ore at a depth between 2,000 and 3,000 feet. This ore carries the usual percentage of nickel, but is exceptionally high in copper. So important is this new-found deposit considered that it has already had a decided influence upon the outlook and plans of the International Nickel Company.

In this connection the following

(Continued on page 27)

Gull-Kirkland Mines
LIMITED
(No Personal Liability)
Property situated in the
KIRKLAND LAKE CAMP
Diamond drilling is giving important results.
For particulars apply
W.B. Cumming & Co., Limited
21 King St. East,
Toronto
Phone AD. 7388.

R. C. HUGHES & CO.
LIMITED
High Grade Listed and Unlisted Mining Securities
SPECIALIZING IN
ONTARIO & QUEBEC MINES
Write for information on any Mining Stocks
316 EXCELSIOR LIFE BLDG.
TORONTO ONTARIO
Phone Main 2569. Night, Gerrard 6640W

A Glorious Sensation to Have Ill-Regarded Deposit Prove Bonanza

What a glorious sensation it must have been to International Nickel officials when they got the first drill core from the 3,000-ft. horizon of the Frood Mine and discovered the high grade copper.

For years they had neglected the Frood because the ore was so low grade, only to discover that the property is the richest of the area.

New Frood Shaft Beats McIntyre's

Will Likely be Halted for Time to Explore Area Just Under 2,000-ft.

The new shaft which International Nickel is sinking on the Frood property is now about the 1,100-ft mark. This shaft is larger than the big shaft which the McIntyre carried down to below the 4,000-ft. level in two years.

McIntyre's shaft measured 24 ft by 17 ft.

Frood shaft is 28 ft. 4 inches by 16 ft.

How deep the shaft will be carried is unknown. It is thought, however, that the company will decide to do some lateral work shortly after the 2,000 ft. level is passed. At this horizon Mond Nickel is getting high copper and nickel values, some of the copper ore running eight per cent and in some cases the nickel values are up to three.

Old Crystal Gold East of Sudbury to Again Come Under Development

Jas. Flynn, Toronto, has revived the old Crystal Gold Mines, to the east of Wahnapitae Lake and added to it the old Comstock property and is preparing to launch an aggressive gold mining operation. He has also taken up some 3,000 acres in the Sudbury lead-zinc belt.

The old Crystal produced years ago and a great deal of underground work was done. However, before it got very far it was found that the veins dipped into the Comstock and it was not for sale. Both ultimately died and lay dormant for years until Mr. Flynn got hold of both holdings.

He has been studying the geology for some time and has found a porphyry intrusive close at hand and this opens up rather interesting possibilities. There are five shafts on the Crystal and a considerable amount of lateral work.

Sullivan, Flin Flon, Frood, Creighton and Hollinger Win Canada Spot in Sun

All Five Stand Out Among the Greatest Individual Mineral Deposits in World — Combined Wealth Known and Estimated Tremendous

Canadian mining operations are gradually revealing to the world that Canada, with the greatest exposed area of the pre-Cambrian in the world, promises to set a new mark for large mines.

A couple of years ago the Sullivan mine of Consolidated Smelters at Kimberley, B.C., was adjudged a sensation, and stands out to-day as the greatest lead-zinc-copper deposit in the world.

Just as mining men got through talking about it, Whitney interests of New York announced that they had a process to successfully beat the Flin Flon ore, and thus Canada was assured of another tremendous mine, having ore reserves around $220,000,000 down to about the 1,800-ft. level. Now comes the Frood with 100,000,000 tons of copper nickel — precious metal ore — another staggerer in the very immensity of its hidden wealth.

Before these had come the wonderful Creighton, the world's greatest and richest nickel deposit, and coming along all the time was Hollinger with its steady ascendency toward the proud position of world's gold leadership. To-day it stands in second place.

In dealing with leading creators of new natural resource wealth, one could add another outstanding development, the great Royalite Four, oil and gas producer of Turner Valley, which stands out as the greatest of its kind ever found.

It would make a decidedly interesting and valuable compilation if those interested would make available the proven and estimated tonnage of each and the values per ton. It would make great advertising for Canada's mineral deposits.

TWO YEARS FROM PRODUCING STAGE ON BUNKER HILL

West of Chelmsford They Are Aggressively Developing Underground

RESULTS ARE GOOD

Company Has Got High Values But Gives No Intimation of Tonnage

It will likely be two years before the Bunker Hill-Sullivan operation reaches the producing stage. The development of the property is proceeding with excellent and sometime spectacular results. No estimate has ever been given out in regard to the amount of ore indicated or the average content of the deposit in lead, zinc and copper but the general opinion is that the values run around **$30** per ton.

The Bunker Hill operation was brought about by Jos. Errington. As was related in The Post recently, he was seeking copper ore in the section some 25 years ago when he encountered the lead-zinc values. The deposit at that time had nothing of the economic importance that it has to-day. About two years ago Mr. Errington got the Bunker Hill people interested and they started diamond drilling and did in all about 60,000 ft. The results were so encouraging that they decided to launch a campaign of underground development.

Lateral Work

The first move was to sink a shaft toward the western part of the property. This was carried down 300-ft. and then lateral work was started. On this level well over 1,000-ft. of drifting has already been accomplished and it is the intention to do considerably more. In one of the drives on this level, a crosscut, a twenty-foot ore body that had been missed by the drills was cut. It showed values of $35 and has opened out well.

It is the intention of the company to push ahead lateral work for the greater part of the summer and it is likely that it will be fall before definite plans are formulated toward bringing the operation into production.

Meanwhile the company has been doing a great deal of clearing around the property. There is a move on foot to get a post office and it is likely that a new townsite will be launched.

Very excellent buildings have been erected on the property and the whole operation is well laid out.

Good Chances for Gold Near Sudbury

Area Quite Favorable for an Intensive Search for Precious Metals

There are two gold prospects being explored in the Sudbury area, McMillan on the west and Crystal Comstock Gold on the east. It is rather surprising that a more intensive drive has not been made for gold prospects especially in the area outside what is called the bowl.

Geologists and engineers agree that there is quite a section that is well worthy intensified prospecting in the section for those who could afford to spend the money.

There are also some excellent feldspar properties in the district. There are a number of excellent deposits but it is understood that at present only one, the Holdridge in Wanup is working. There was also a considerable amount of mica shipped from the district some years ago but none has been mined of recent years.

Dome Has Two Groups Under Option in Lead-Zinc Area of Sudbury

Dome Mines went into the Sudbury lead-zinc-copper area, drove five diamond drill holes and then stopped diamond drilling. No announcement has been forthcoming one way or another.

Dome's option was on 480 acres in Hanmer Tp., all options on good farm lands, and evidently taken at the high level which the Bunker Hill people established by their purchases.

A Gossan burn on the claims has been trenched for a distance of a quarter of a mile, and it is said that on surface an excellent showing of lead-zinc-copper ore has been uncovered. Five diamond drill holes have been put down to cut the extension of the surface showings at depths of around eight hundred feet. Dome has another property, known as the Indian dump located on lots 10 and 11, Concession 5, Hanmer.

Dome engineers optioned this property in February from P. J. Green for $300,000, the first payment to be made in July. So far no exploration work has been done on the property.

History of "Nickel," Which Started as Copper Venture is History of Nickel Area

Creighton Ore Best for Monel Metal

Creighton Mine, is a tremendous asset for International Nickel as its ore is especially suited for the manufacture of Monel metal. This ore runs 4 per cent. nickel and is not high in precious metals. Four per cent nickel alone gives values close to $20 per ton without considering the copper content. The Creighton ore body is gradually being extended in length to the north. It is a steady producer of 4,000 tons daily.

5 Acres of Ore in Levack Body

Millions of Tons Proven and Company Staked Biggest Part of Holding

Very little has been heard of the Levack Mine of Mond Nickel, yet it is a very large deposit, totalling millions of tons. The ore body is really five square acres of ore. It is said to be about 600 ft. long and about 500 ft. wide.

Levack ore body was drilled and turned down three times before the Mond people took a whirl at it and found the ore. The property lay neglected for some considerable time and those holding claims around it let many of them lapse. Mond got studying the property and when its engineers worked out what seems to be a solution of the geology they set to work to stake the available claims that had lapsed before seeking options. The main portion of the ore-body is on one of the claims that was staked at that time.

Huronian Belt Companies Hold Annual Meetings

Notice has been sent to shareholders of Keeley Mines Limited and Canadian Lorrain, calling the annual meetings. Keeley shareholders will meet on June 27 at 11 a.m. and Canadian Lorrain at 2.30 p.m. on the same day. The annual statements will be mailed to shareholders shortly.

The annual general meeting of Pioneer Mining Corporation will be held in the new board room of the Trusts and Guarantee Company, Toronto, on Tuesday, June 28th, at 11 a.m. The annual report will be mailed within the course of a few days.

Akron, Ohio, Man Was Really Responsible for Starting of Operations

START 41 YEARS AGO

Lack of Refining Process an Early Handicap — Progress Has Been Excellent

By D. E. CUSHING,
Mining Editor, The Financial Post.

The history of International Nickel Corporation, and of its predecessor, the Canadian Copper Co., is the history of the Sudbury nickel copper deposits. The Canadian Copper Co. was organized, with head office in Cleveland, where it still is, to develop copper deposits found in the Sudbury district. In other words, the great Sudbury district of to-day had its beginning as a copper mining camp and it was only later that it developed that the principal content of the ore was nickel and that copper ranked second. The Ontario Nickel Commission Report states that S. J. Ritchie, Akron, Ohio, was responsible more than any other man for the inauguration of the great nickel industry of Ontario. With other Ohio capitalists he was interested in the extensive iron ore holdings in Hastings County which did not work out well and later they launched the investigation of reported copper deposits North of Georgian Bay and launched the Canadian Copper Co. to take over and operate a number of prominent prospects in the Sudbury district in 1885. These properties included what has since become the Copper Cliff, and McArthur, or No. 2 mine, as well as the Great Creighton Mine of the International Nickel Co. The company was incorporated in 1886. The International Nickel Co. was organized in 1902. The first operation of the company was on the Lady Macdonald Mine in 1885. The first ore of the district was obtained from surface openings of this mine. Things went along well for a couple of years until 1894 when the Vivians and the Dominion Mineral Co. closed down. At that time the Canadian Copper Co. had 250,000 tons of matte on hand, for which there was no sale. A timely order from the United States government relieved this embarrassment and in the next year the first dividend was paid. The old saying that it's an ill wind that blows nobody good worked out in their case. When the Spanish-American war was launched it had an influence on the company's production in 1898

(Continued on page 23)

Two Huge Plants to be Added to the Two Sudbury Already Has

Estimated That Bunker Hill and Nickel Expansion Cost Will Be $20,000,000—Big Power and Mine Development Will Proceed Construction

Sudbury district will soon have two large new plants under construction, International Nickel's new electrolytic copper plant and the Bunker Hill-Sullivan smelter and refinery.

It is understood that the plans for both are already under way. There was an intimation of this from Pres. Robert Stanley of "Nickel," when he announced the decision of the company to build the new plant. That the Bunker Hill people are busy on Smelter plans, is evidenced by the fact that they have had their technical plant experts in the Sudbury area for some time and they have recently returned to the west.

It has been estimated that the cost of these plants when completed and on a production basis will be something around $20,000,000. It is likely that a portion of this will go to provide for power plant as the Bunker Hill people will first have to install equipment to develop their 50,000 h.p. the rights for which they have secured from the Ontario Government. In addition there will be the heavy cost of mine development.

In this issue will be found pictures of the Mond Nickel plant at Coniston and the much larger International Nickel plant at Copper Cliff. Development of Frood Mine is going to give nickel two huge enterprises instead of one. How large the Bunker Hill plant will be is unknown at present but because of the Customs ore agreement with the Ontario Department of Mines, it is likely that the minimum tonnage aimed at will be around 2,000 daily.

DRAPER DOBIE & CO.
Members Standard Stock Exchange
NORTHERN ONTARIO BLDG.
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10 Jordan Street Adelaide 6705 Toronto

Will Cost $10,000,000 to Bring Frood Mine to Production Basis

Wall St. Journal Makes Some Interesting Comment on Nickel

DEPOSIT RICH

Says New Discovery is of Primary Importance to Industry

The rapid rise of International Nickel common has been among the most surprising and spectacular of any advance on the New York Stock Exchange list for a long time. This has been entirely independent of any semblance of a corner, as there are 1,673,384 shares of Nickel common outstanding, ownership of which is widely scattered. In less than two months Nickel common has advanced from around $40 a share to a high of $75.

The wildest rumors have made the rounds: The company has struck a vein of copper; it has struck a vein of gold; and finally, it has struck a vein of platinum. As a result, Nickel has become a "mystery" stock. Some say the company will be turning out copper from the new find by end of the year. Others scoff at such a statement.

The truth is that International Nickel has made an ore strike of primary importance, but it is simply a different type of ore in a known ore occurrence. It will cost several million dollars to open up and equip the Frood mine, where the new ore has been found. Building of an electrolytic refinery, equipment of the Frood mine, and other changes and additions resulting from the new discovery and modifications of Nickel's plans, will require an expenditure of close to $10,000,000 spread over the next five years.

Must Wait Three Years

Evidently any development that is going to cause such a large expenditure is of primary importance. It should also be evident that such a large sum of money can not be expended in equipping a mine in a short time, and that if such a large sum is required to prepare the property for efficient production, the new ore is not going to contribute much if at all to earnings before another three years.

The Frood is not a new mine. Copper, gold, silver, nickel, platinum and other metals of the platinum group, occur in all Sudbury ores. All this talk about these finds of veins of these different metals is unfounded. What has happened is that a large body of ore has been found in the Frood mine in which copper, platinum and gold and silver occur in higher ratio to nickel than in typical Sudbury orebodies developed to date.

Frood mine has not been recently acquired by International Nickel. It has been owned by the company for years, and has been developed to a depth of around 400 feet for a very long time. The character of the ore in the upper part of the mine was well known. Although the ore in the upper levels of the Frood mine was lower in grade than at Creighton, at greater depth the ores at both mines carry about the some amount of copper and nickel taken together, between 4 and 5 per cent. of both metals combined. However, at the Creighton mine the proportion of nickel to copper is two to one, while at the Frood mine there was about one part of nickel to one part of copper. With nickel worth about twice as much as copper, the company could make more money by working the Creighton property. Consequently the Frood mine, other than for having the orebodies opened on the upper levels, stood idle.

Low Grade to 2,000 ft.

Monel metal is simply the natural nickel-copper alloy obtained by smelting and refining Creighton ore. With consumption of monel metal rapidly increasing, International Nickel's management thought that it should take steps to conserve its supply of Creighton ore, and extract more of its nickel from ores that could not be smelted directly into monel metal.

Before deciding upon making the large expenditures contemplated in equipping and opening up the Frood mine for large-scale production, the Nickel management put down a large number of drill-holes to test the orebodies at depth. For a depth of 2,000 feet the ores were of about the same general character as in the upper part of the mine, except that the ores showed a rather gradual improvement in the amount of nickel and copper they carry. However, the lenses of ore opened by some five drill-holes between a depth of 2,000 and 3,000 feet from surface showed a surprising difference in the copper-nickel ratio.

A portion of these deeper ores, instead of assaying, say, 2½ per cent. nickel and 2½ per cent. copper, assayed on an average around 10 per cent. copper and 2 per cent. nickel, together with a fair amount of gold, silver, platinum and palladium.

Copper Content High

It is discovery of these deep high-grade ores in which the copper is roughly five times the nickel in them with their precious metal assays also higher, that constitute the important new find at International Nickel's mines at Sudbury, and which has caused the shares to sky-rocket, and not the discovery of any new veins of gold or copper or platinum. What has happened is that below a depth of roughly 2,000 feet in at least certain parts of the Frood mine the copper percentage increases rapidly to around 10 per cent. But it must be remembered that the grade assumed for this deep ore in the Frood mine is based upon only five drill-holes, and that the orebodies when actually opened up and mined may show quite different assays. Five drill-holes may, and may not, be typical of the orebodies as a whole.

The Frood orebodies are more vein-like and more regular in width than those in the Creighton mine which occur more as irregular over-lapping lenses. In both mines the individual orebodies are very large and strong with widths to the stopes at the Creighton mine running up to several hundred feet, while the orebodies in the Frood mine are more regular as to width, with the total tonnage indicated much larger than at the Creighton.

The walls at both mines are strong, the ore breaks well, and as the stopes are wide and persistent, mining cost is low. Bearing all this in mind, it is not improbable, in view of the richness of the ore in copper below a depth of 2,000 feet, and that this deeper ore will be mined in conjunction with a large tonnage of ore from the upper parts of the mine, that copper can be produced from the deep parts of the Frood mine at a cost of a little over six cents a pound.

Shawinigan to Build Smelter Near Quebec?

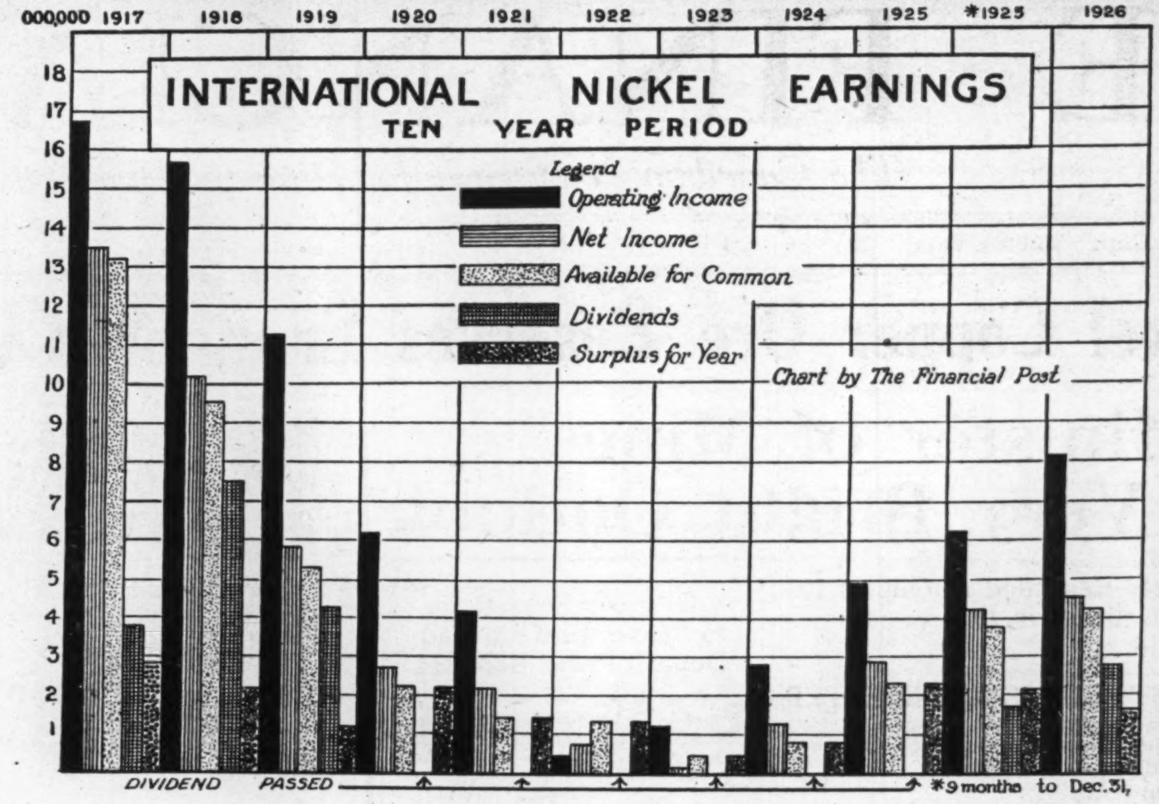
From Our Own Correspondent.

MONTREAL. — It is understood that the Shawinigan Water and Power Company is considering the erection of a smelter at Gros Pin, P. Q., about three miles from Quebec. No information regarding the project is obtainable from official Shawinigan sources. It is not known just what ores the company would smelt in such a plant. It has been suggested, however, that the finds of base metal ores in the newer mining sections of the province, such as Gaspe, would warrant the construction of a smelter at a comparatively early date.

Good Surface Finds on Area and Amulet

Good results are said to have been met with in surface work on Amulet and it is reported that some good news is to be expected in regard to the finding of extensions of these surface bodies over in Area ground.

Two of Amulet's finds have already demonstrated an ore body 95 feet in length varying in width from 15 to 20 feet. Both copper and zinc values have been found that in preliminary work look to be important. So little is known of the new ore bodies that the company is not sure whether they are flat-lying or extend to considerable depth. Being close to the Area line, efforts were made to locate extensions of the body on the property where diamond drilling has proven so disappointing following electrical surveying. Trenching is under way on the Area close to the Amulet line.



Sudbury Evidence of Importance of Mining

Important Trade and Business Centre Has Been Built Up Around World's Two Largest Nickel Producers — Outlook Decidedly Bright

Perhaps no centre in Ontario gives better evidences just what mining development means to a community than the town of Sudbury. It is one of most substantially built centres in Northern Ontario. While in the past lumbering and logging operations have held a part in the progress of the community, its condition of prosperity has really been dictated by the ups and downs of the two nickel mines, International Nickel and Mond Nickel. When things were bad for these operations, such as the after-the-war period, they have been strongly reflected in the general prosperity or lack of prosperity of the town.

On the other hand, the town has never really come into its own, such as it would have by the aggresive exploitation of its mineral possibilities on a large scale and which now seems to be under way. The mining industry seems to have been satisfied for many years that anything worth while was in the hands of the two large operators, with their complicated and costly processes for treating nickel-copper ores and let it go at that. The one outstanding exception was that of British American Nickel but there were other operations as well that fell by the wayside and these seem to have acted as a deterrent to others to try out the field.

Lead-Zinc Development

Now, however, comes the lead-zinc developments. This is referred to as in Chelmsford area, to the west of Sudbury. It is, but some nickel deposits are in the same vicinity while some of them are much farther removed from Sudbury than the lead-zinc deposit of the Bunker Hill. The outstanding fact about this development is that the possible area in which these deposits may be found is almost equal to that of nickel.

This is bound to bring a tremendous activity which is already under way. In addition there are possibilities for gold mines in the section and these are certain to be tested out.

Good Business Centre

Sudbury is a very good business centre. Blessed as it is with three railways, it has developed as an important distributing point for a wide area and has innumerable large warehouses. As a town it is very up-to-date and its importance as a trade centre is evidenced by the fact that all but two or three of the banks of the Dominion have important branches there.

Consolidated Mining Pays $6.25 on Shares

From Our Own Correspondent.

MONTREAL—The Consolidated Mining and Smelting Company of Canada declared the regular dividend of $1.25 per share on the stock for the quarter ending June 30, but in addition, declared a bonus of $5 per share. A year ago, the company declared a regular dividend of 75 cents and a bonus of $3 on its stock. The present dividend and bonus is the same as that declared at the end of 1926. Should the present rate of disbursement be continued, it will make a total of $12.50 per share per year.

Following the declaration, the president of the company issued the following statement:

"Operations are proceeding as usual. There are no unsold metal stocks.

ELDORADO TO SOON START ITS SHAFT

Supplies on Property for Year and Ample Finances Are on Hand

Eldorado Mines, operating east of Central Manitoba Mines, in the Central Manitoba Goldfields, is about ready to launch shaft sinking. The company has 125,000 feet of timber ready for mining requirements, a car of powder, and enough supplies and material for a year's operation. They are now rushing work on installation of the motors and compressor and transformer, which are on the ground. The power line is ready and water tank installed.

Eldorado is in good shape financially, and has funds assured for over a year's work. The mining plant is a duplicate of that of Central Manitoba Mines, capable of going down 1,000 feet. There are two shafts on the property already, the deepest being 60-ft.

Destor Mines Completes Initial Diamond Drilling

From Our Own Correspondent.

MONTREAL.—Destor Mines has completed some 1,700 feet of diamond drilling on its properties, and the results obtained have been of a satisfactory nature. All veins were cut at a depth of about 100 feet, and large mineralized zones were indicated. The geological information which has been obtained from the drilling will allow the company to proceed with its development programme with a greater degree of certainty.

A grab sample which was taken by J. A. Champoux, managing director of the company, has just been assayed and shows the following yield per ton: gold .04 ozs., silver 7.16 oz., copper 26½ per cent. The directors of the company anticipate receiving shortly further specific information of the vein system of the property.

Following the completion of the recent drilling operations under John A. Dresser, Maurice A. Archambeault, consulting engineer, has assumed charge of the company's filed field operations. He will visit the property once a week at least.

NICKEL ALLOYS IN USE IN OVER 300 INDUSTRIES NOW

Boon of Armament Demand Has Given Way to Peace Uses

Back in 1889 nickel mining in Sudbury district came in for a great boon when the United States navy conducted tests which showed that nickel steel was an ideal alloy for the making of armor for battleships.

To-day with nickel alloys firmly entrenched and growing in a wide variety of industries, the nickel companies are little concerned about the number of warships building.

It is true that if there was another orgy of naval expansion, the nickel companies would enjoy an enlarged market, while it lasted, but its real permanent market today is coming from an ever-widening industrial demand.

Credit for this goes to the research work of the nickel producers. They devised innumerable new nickel alloys and then set out to find the branches of industry that would benefit most by their use. Then they had to sell the idea.

They have made progress steadily. To-day the use of nickel is much greater than the demand before the war, at which time the building of armaments was much greater than to-day. Besides, figures on exports of nickel for the pre-war period give indications of hoarding.

What this research and market propaganda has cost no one knows, except the companies themselves. Undoubtedly "Nickel" has absorbed the cost in its general item, but it is a factor that critics should consider when they are airing their views on the high costs of nickel.

The broadening demand for nickel has been well set forth in the following compilation:

Structural nickel-steels, which cover about one hundred important products, including automobiles, motors, locomotives, machinery, machine tools, bridges, printing-presses, turbine-shafts, saws, gears, axles, chains, bearings, plates, shapes, guns and armour-plate.

Nickel-steel castings, including locomotive-frames, railway track-work, crusher-jaws, high-pressure valves, ore-crushers, etc.

Ferro-nickel alloys, used in fine parts of many instruments.

Electrical work, including transformers and submarine cable-coverings, etc.

Corrosion-resisting steels, including manifold products, subject to exposure to rust.

Non-magnetic nickel-steel.

Nickel-castiron, used for engines, steam cylinders, etc.

Nickel-plating.

Heat-resisting alloys.

Nickel coinage.

Malleable nickel.

It has been estimated that there are 300 industrial establishments on this continent using these alloys today. Dealing with "foreign sales," Pres. Robert Stanley, in the recent annual report said they fell off badly but improved in the last quarter. He said the company is building up a foreign organization to develop the use of nickel in Great Britain and Continental Europe.

COPPER DEPOSIT OPENS WELL

Recent diamond drilling of the Bonanza group, on the B.C. coast, hitherto treated as a reserve by the Granby Company, has disclosed ore bodies running as high as 12 per cent. copper, with an average of over 3 per cent.

Nickel Earnings Up $7,000,000 in Three Years' Operations

A review of the financial position of International Nickel shows an immense jump in earnings in the last three years. Earnings all properties 1923 were $1,153,000 and 1926 $8,195,141. Surplus increased from $10,107,781 to $16,680,482. Earnings on the common for the last four years have been:

1924	1.61%
1925	5.71%
*1925	9.17%
1926	12.00%

*9 mos.

The balance sheet reveals an enviably strong liquid position. Net working capital at the end of 1926 stood at $15,531,018, compared with $15,055,135 the previous year and $10,008,370 in 1918. The ratio of current assets to current liabilities at the close of 1926 was almost eight to one. In spite of an increase in fixed assets of approximately $5,000,000 since 1918 the capital structure remains unchanged.

	1926 $	1925 $	1924 $	1923 $
Revenue—				
Earnings of all properties	8,195,141	6,325,810	2,803,784	1,153,322
Other income	167,621	102,291	221,871	128,950
Total	8,362,762	6,428,101	3,025,655	1,282,272
Deduct administ. and head office expense	560,775	406,771	563,382	435,183
Reserve for Federal and franchise taxes (est. provision)	610,704	715,796	......	......
Net operating income	7,191,283	5,305,534	2,462,273	847,089
Deduct Oxford Works prop. and shut down exp.	106,155	80,788	103,029	389,191
Depreciation and depletion	1,528,861	979,845	1,138,457	394,728
Foreign companies not inc.	......	7,500	14,000	15,000
	1,625,016	1,068,133	1,255,486	798,919
Profits for year	5,556,267	4,237,400	1,206,786	48,170
Brought forward	15,302,093	13,139,143	10,036,667	10,015,840
Profits for year, as above	5,556,267	4,237,400	1,206,786	48,170
Adjustments	296,354	......	41,143	507,413
Less—	......	......	11,284,597	10,571,423
Dividends, common	3,346,768	1,673,384	......	......
Preferred	534,756	401,067	534,756	534,756
Balance	......	2,162,949	......	......
Surplus	16,976,836	15,302,092	10,749,841	10,036,667
Assets				
Property	53,424,609	49,941,343	50,634,024	51,181,274
Investments	1,583,686	227,284	234,572	571,170
Inventories	9,701,477	8,499,149	7,723,238	5,926,279
Accounts and bills receivable	2,867,418	2,755,012	1,944,093	1,646,161
Advances	129,757	88,022	91,709	174,781
Interest receivable	54,247	......	......	......
Government securities	3,258,294	2,727,194	1,106,569	100,000
Call loans	600,000	1,400,000	500,000	1,250,000
Cash	960,687	1,414,470	849,789	1,393,395
Total	72,580,174	67,052,424	63,083,989	62,244,160
Liabilities				
Preferred stock	8,912,600	8,912,600	8,912,600	8,912,600
Common stock	41,834,600	41,834,600	41,834,600	41,834,600
Accounts	1,185,702	1,330,151	775,173	723,307
Taxes accrued	721,299	......	......	......
Notes	2,300,000	......	......	......
Dividends payable	133,861	133,689	133,689	133,689
Insurance and cont. reserve	800,629	541,813	452,076	582,183
Surplus	16,680,482	14,299,571	10,975,851	10,107,781
	72,580,174	67,052,424	63,083,989	62,244,160

1925 year to March 31.
1926 year to Dec. 31, but figures cover 12 months.

STEEL and IRON PRODUCTS OF EVERY DESCRIPTION

Sales Offices

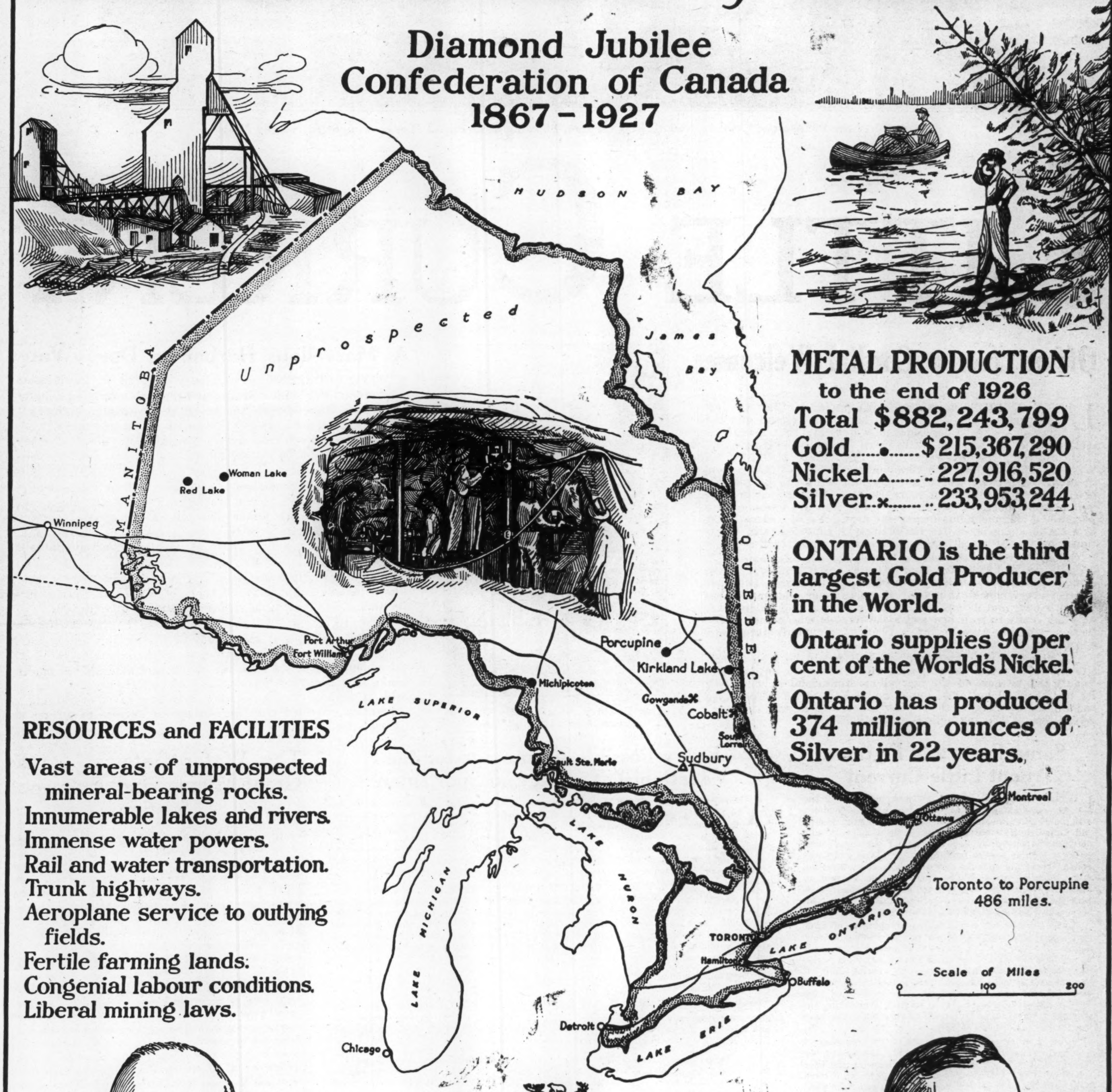
HAMILTON
TORONTO
VANCOUVER
HALIFAX

THE STEEL COMPANY OF CANADA LIMITED

MONTREAL
WINNIPEG
VICTORIA
ST. JOHN

Mineral Treasures of Ontario

Diamond Jubilee
Confederation of Canada
1867 - 1927


HUDSON BAY
James Bay
Unprospected
MANITOBA
QUEBEC
Red Lake
Woman Lake
Winnipeg
Port Arthur
Fort William
LAKE SUPERIOR
Michipicoten
Porcupine
Kirkland Lake
Gowganda
Cobalt
South Lorrain
Sudbury
Sault Ste. Marie
LAKE HURON
LAKE MICHIGAN
Chicago
Detroit
LAKE ERIE
TORONTO
Hamilton
Buffalo
LAKE ONTARIO
Ottawa
Montreal
Toronto to Porcupine 486 miles.
Scale of Miles
0
100
200

METAL PRODUCTION
to the end of 1926

Total	$882,243,799
Gold ●	$215,367,290
Nickel ▲	227,916,520
Silver ×	233,953,244

ONTARIO is the third largest Gold Producer in the World.

Ontario supplies 90 per cent of the World's Nickel.

Ontario has produced 374 million ounces of Silver in 22 years.

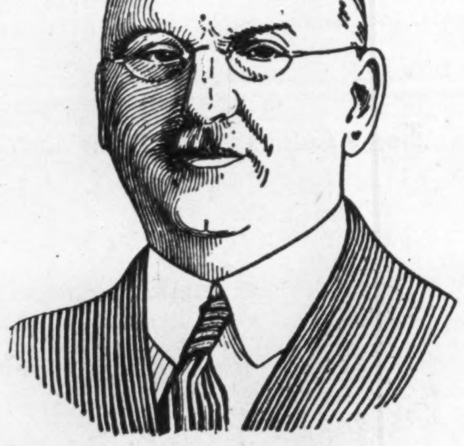
RESOURCES and FACILITIES

Vast areas of unprospected mineral-bearing rocks.
Innumerable lakes and rivers.
Immense water powers.
Rail and water transportation.
Trunk highways.
Aeroplane service to outlying fields.
Fertile farming lands.
Congenial labour conditions.
Liberal mining laws.

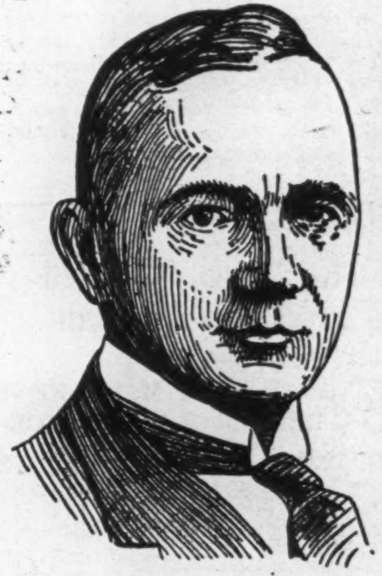
The Provincial Department of Mines assists Prospectors and Operators by supplying geological maps and exploration reports, while detailed reports of production furnish reliable information for use of Investors and others.

Thos. W. Gibson, *Deputy Minister of Mines.*

Toronto, Canada.



Hon. G. Howard Ferguson,
Prime Minister.



Hon. Charles McCrea,
Minister of Mines.

A
Summer
Land
Beyond
Compare

Come
and
See

The
Gateway
to
Manitoulin
Island

A Bit of the Picturesque Country About Little Current, Showing a 30-Pound 'Lunge Caught in Nearby Waters

LITTLE CURRENT

Offers You a Cordial Welcome

LITTLE CURRENT is the natural gateway to that wonderland that centres about Grand Manitoulin Island and the other islands and land-locked waterways that make this section one of the most beautiful in all Canada. Centring about Little Current are McGregor Bay, Bay Finn, Collins Inlet, Whitefish Bay and McBean Channel that offer to the vacationist ideal camp sites, where cottages and tents can be secured in supervised camps or in more isolated sections. There are innumerable locations offering for those who are looking for a permanent summer home among the most ideal of surroundings, in a section long noted for its beauty, its superb health conditions and its natural attractions in summer sport facilities.

Little Current is the natural centre for all this country. It is easily reached by motor, boat or train, and it is in every sense a modern and progressive town with splendid stores, equipped to meet every conceivable need of the summer resident, tourist or sportsman, and its citizens, its business men and officials are only too ready to welcome and assist anyone who comes to this section, whether as a visitor, a resident, a manufacturer or a sportsman.

In planning this summer's outing it would be well to consider carefully this section, that offers not only unparalleled beauty but because of the marvellous hinterland beyond, with its wealth of nickel and copper and lead and tin, offers spectacular advantages to those who are ready to take an early advantage of the marvellous opportunities.

The Country About Little Current Abounds in Fish and Game

A Marvellous Harbor on Deep Water

LITTLE CURRENT is peculiarly favored in its location; around it is some splendid and profitable farming country; at its front door is the splendid open-water highway to the markets of the world. It is a harbor of consequence too, and it is a familiar sight to see over a million dollars' worth of shipping in its harbor at one time.

With this great open doorway that leads directly to those highly populated centres of the continent, Little Current offers unusual advantages to manufacturers. There are cheap sites available, with both water and rail facilities, and the town itself is prepared to give the utmost assistance to any manufacturer locating here. There is ample power available at reasonable cost.

The opportunities are peculiarly good for any wood working plant. Ample supplies of all types of timber are available in the immediate locality and in inexhaustible quantities.

There is a splendid opening, too, for anyone who would capitalize the natural attractions of the section, in providing modern tourist hotels; the grandeur of the scenery, the healthful climate, the cool nights, the fishing and hunting and boating make this a section unsurpassed in opportunity for any one who is seeking for a location that can offer everything of advantage, coupled with an element of novelty to attract the jaded taste.

Some Facts and Figures About Little Current

LITTLE CURRENT is the Southern terminal of the Algoma Eastern Railway that connects at Sudbury with the transcontinental lines of both the Canadian Pacific and Canadian National Railways. It is a splendid lake port, and is served by two freight and passenger lines, giving a regular service from Sault Ste. Marie and Owen Sound. There are splendid motor roads in every direction and a new provincial highway from Little Current to Espanola, will connect at this great pulp and paper centre, with the Provincial Highway between the Soo and Sudbury, which will be completed in July, 1928.

Little Current has a population of upwards of 1,200 people, but its important location, and the volume of trade handled through it make it a town of more than average importance. It serves the whole section adjoining which comprises some splendid farming and grazing land. It has splendid stores with up-to-date stocks that would do credit to any city. It has first class public and high schools, fine hotels, and an ideal location overlooking the north channel of Lake Huron, facts that make the town itself a desirable tourist centre.

From a financial standpoint the town occupies a peculiarly favorable position. The only outstanding debenture debt is $8,000 issued to aid in financing the High school building. A $20,000 debenture issue for an Electric light plant has been retired, and the town's own light plant is revenue producing. The town is also fortunate in having a splendid pure water supply.

Every Possible Advantage for the Vacationist, Tourist and Sportsman

ALGOMA, because of the rugged grandeur of its scenery, that is hardly to be surpassed anywhere in Canada, is rapidly becoming a Mecca for artists. The same natural beauties that delight them can delight the visitor who comes to spend a few days or months in the section. Among all this beauty there is nothing to equal that which abounds in the multitudinous bays and islands about Great Manitoulin. Here is the Summer land of Romance, and here is the out of doors in all its unspoiled loveliness, and yet within touch, and easy reach of every civilized comfort..

Little Current is the centre of this vacation land. You can reach it in your own car, over splendid roads. Sailors can anchor their yachts in its well protected harbor, or it can be readily reached by rail from Sudbury, or by boat from Owen Sound or Sault Ste Marie. Here the camper or sportsman can secure every necessity, motor boats can be chartered by the day or week, rowboats and canoes and experienced guides are always available. The stores of the town can supply everything in fishing tackle, ammunition, hardware, outing clothes and materials and provisions.

There is splendid anchorage for yachts, with several thousand feet of docking space, with gasoline and coal fueling stations.

The country about abounds in red deer, moose, wolf, bear, rabbit and other small game, partridge and duck. McGregor Bay is a renowned fishing ground, while bays and lakes and rivers afford a wide variety of sport. Small mouth bass, maskinonge, Great Northern pike, pickerel, lake and brook trout abounds.

The section, too, is rapidly becoming a centre of summer homes and camps. For the tourist there is splendid accommodation in the town itself, or in some of the adjoining camps, while there is a wealth of unspoiled beauty for anyone who wishes some place for a summer home.

The Water Gateway to the Great Mining and Pulpwood Section

THIS section of land North and East of Little Current promises to take its place in the annals of Canada as one of the greatest mineral sections of the Continent. It has long dominated the world's markets with its nickel supply, but even these mines are gaining new prominence, while discoveries of copper, lead and zinc bid fair to revolutionize the public conception of the section. Those who know the section and its possibilities say that the next two or three years will see its population doubled and trebled, and its prosperity more than keeping pace.

And Little Current stands at the doorway of this section, much of its wealth passes through its doors to the great freighters lying at the docks. The growing output from this section, and the growing demands from it will bring new opportunities to Little Current, and to all those agencies who can minister to the mines or the paper plants. As the lake terminal of the Algoma Eastern Railway that interlaces this great mineral belt, and pulp and paper section it is assured of a dominant position of steadily growing importance.

The Town Council

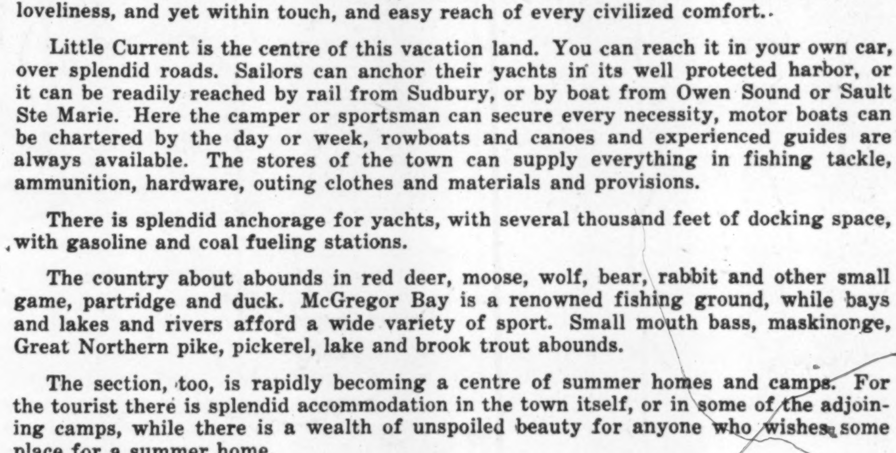
Mayor, W. W. RITCHIE

Councillors

N. K. BROWN WM. WILKENSON
A. E. REID JAS. PUNCH
JOHN HEMBRUFF A. E. STEWART
Clerk, J. M. SHOUPE
Treasurer, T. C. SIMS

Board of Trade

President, G. E. BAXTER
Vice-President, K. R. MONTIZAMBERT
Secretary, DR. W. G. ALSTON



The Algoma Eastern Swing Bridge at Little Current

Some Camps about Little Current

Camp Manitou, a camp for boys, at Whitefish Bay, Ont.
R. H. Holmes Camp, McGregor Bay, Ont.
Stewart Jenkins Camp, McGregor Bay, Ont.
N. A. Kinsman Camp, Willisville, Ont.
Mrs. John Cameron Camp, Whitefish Falls, Ont.
Chicago Yacht Club headquarters while the Club is touring the northern channel.
Moirdolphan Club of Pittsburgh is building a clubhouse to house 200 people on Ireson Island, Whitefish Bay.
A great many hunting clubs make Little Current their headquarters during the hunting season.

Perseverance in Hunt for Ore Brought Reward to Mond Co.

Having Found Process, the Company Came to Sudbury to Find Ore

ORE RESERVES BIG

In Ganson, Levack, Frood and Worthington Mines it Has Tremendous Tonnage

Dr. Ludwig Mond, while carrying out some laboratory tests in his laboratory in England in 1889, discovered a carbonate process of producing nickel. This was followed by a small scale experimental plant at Smethwick, near Birmingham, England, at which the process was developed for industrial purposes. English steel makers declined to take an interest in it, and after investigation, Canada Copper Co., the predecessor of International Nickel, declined to purchase it in 1895. At the same time it is understood that the holders of the Mond process declined to purchase the holdings of the Canada Copper Co. in Canada at that time and which holdings are now a part of the International Nickel operations at Copper Cliff.

Having demonstrated the success of his process, and having failed to find a market for it, Dr. Mond began to look for ore and finally decided in favor of the Sudbury district.

These very interesting facts were brought out in the report of the Ontario Nickel Commission, which investigated the world nickel situation back in 1917.

In respect of the acquisition of the first property of the Mond's in Canada, the McConnell, in the Township of Denison, taken over in 1899 and afterwards known as the Victoria Mine, which came into production in February, 1901. The Victoria Mine is situated on the Soo branch of the C. P. R. 22 miles West of Sudbury, and the plant started as a steam operation, handling 60,000 tons of ore yearly, but in 1909 was changed to an electrolytic operation, and in that year production was increased to 140,000 tons.

As operations went along, the refining plant at Clydath, Wales, was steadily perfected, and as the nickel report says, with good prospects of increasing business, the limitation of the Victoria Mine site which was not adapted to further expansion was felt to hamper the company's operations. There was railroad connection with but one line and after the purchase of additional mines the smelter was found to be too far from the centre of the ore supply.

This resulted in a careful study of the district, and finally in a decision to locate a new plant at Coniston, nine miles from Sudbury, and which came into production the middle of May, 1913.

Thus very briefly is told the launching of this very attractive operation in the Dominion. The erection and operation of the new plant did not mean that all was clear sailing ahead. There was the constant demand of the mill and smelter for feed and for several years the operation went along in a more or less precarious way, constantly seeking new ore, always able to keep a fair margin ahead of production, but never enough to allow a feeling of ease.

One of the first purchases after operating the Victoria Mine was the Cryderman property, a mile from Coniston, and which is now known as the Garson and which was purchased in 1907. This has been one of the chief producers along with the Worthington, of the company. The Levack on the Northern range was purchased in 1913, but did not come into production until around 1917. It has a tremendous ore reserve, millions and millions of tons.

Dr. C. V. Corless, the Managing Director of the Mond enterprise, tells some very interesting stories in regard to the company's hunts for ore. Perseverance and stick-to-itiveness proved too tremendously strong characteristics, but there was also a little of the gambling spirit, ever necessary in the hunt for mineral. A rather striking example of this is the Levack Mine. This was diamond drilled on three different occasions and turned down after each drilling, so that it is not hard to imagine that it required considerable nerve to recommend to the company in London that they authorize a very material expenditure for a fourth attempt to find the commercial ore body on the Levack property. Nevertheless, the recommendation was made, was approved of, the drilling undertaken, and, as a result, the fourth effort has produced one of the very largest ore bodies of the Sudbury district, covering an area practically 600 feet long by 500 feet wide, and containing millions of tons of nickel copper ore.

Of course, the Mond Co. did not always hit it right. They examined and turned down the Murray Mine, which contains a tremendous tonnage of low grade copper ore, and which is now the property of International Nickel.

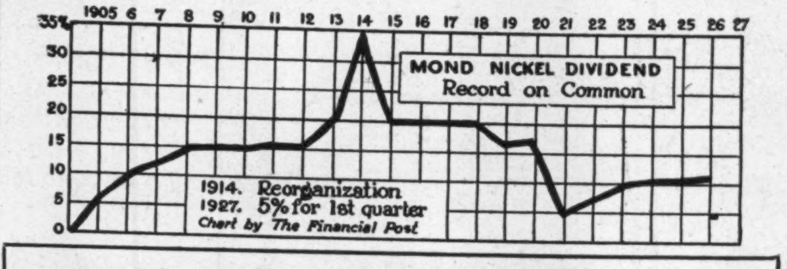


Chart by The Financial Post

Mond Nickel Started With a Process: Then Found the Ore

Mond Nickel Co., whose securities are owned almost exclusively in England, is a very different operation from the majority of mining ventures. Most mining companies have been brought into being because someone located a deposit of commercial ore and a company was organized to develop it.

With Mond it was different. The Mond people in England, quite by accident, while carrying out some laboratory studies, came upon a nickel-carbonate process. It was laid aside for the moment, but later taken up and experimented with for about twelve years in the laboratory and later, when seemingly perfected, a test or pilot plant was erected to try it further.

Once the process was proven, the Mond people set about to realize on it. It is understood that it was offered to those in control of International Nickel at the time, but failing this, a world-wide hunt for ore on which to use the process, was started, culminating with the launching of a mining effort in the Sudbury area, and thus came into being Mond Nickel Co.

COPPER HILL VALUES OVER GOOD WIDTHS

Says Diamond Drill Indicates Large Ore Body—Surface Assays Satisfactory

From Our Own Correspondent.

MONTREAL.—Copper Hill Mines' diamond drilling results have been better than were anticipated, according to the progress report of Julius M. Cohen, M.E., the company's field manager.

Mr. Cohen says that he has struck ore in every drill hole across width of some 22 to 54 feet, and that the cores give evidence of a very large ore body. Surface assays which have been taken show from 5.6 to 15 per cent. copper and the zinc content has run from 2.4 to 20 per cent.

The progress report makes the point that the information which has been obtained to date only pertains to a very small section of the property, as in its field operations the company has not yet had the opportunity of exploring the large mass of iron pyrites which has been uncovered, nor has it been able to carry out any additional surface work.

The Engineer's Report

In part, the report says as follows:

"The geology is highly satisfactory for the precipitation of ore, in this district, and the diamond drill holes were laid out so as to cut across the schistosity of the rhyolite and strike the quartz porphyry contact, at right angles.

"The high grade surface showing, on this property, is located at a point, almost in the centre of your group and shows massive chalcopyrite, bornite and sphalerite, for fifty feet across the formation and for a length of forty feet with the formation.

"The diamond drill holes were so laid out, that contact with the ore was not lost and so that the relationship between the various drill holes and the general geological features, could be figured out from the results obtained."

Further Work Outlined

The report gives a description of the satisfactory results obtained in the four drill holes and continues as follows:

An extremely interesting trench has been put in at a point 350 feet southeast of the main showing, Trench "C". Assays taken from this trench give values of 5.6 per cent. copper, and 20.0 per cent. zinc. Assays taken from the Main showing give values between 12.0 and 15.0 per cent. copper and about 2.5 per cent. zinc, as well as 2 ounces of silver.

"At the present writing the following additional development work has been planned—additional diamond drilling, contract already let for 1,000 feet. Sinking of shaft on main showing, contract now being made, and work to commence next week. Surface trenching and exploration to definitely locate a second contact and to develop the iron pyrite showing.

Promise of Success

"The showing of iron pyrites is of massive formation, very fine grained and found in a greyish white quartz. The surface shows about 30 feet of this and while no real work has been done here, the writer is of the opinion that this may have great potential possibilities, either as the capping over additional copper veins, (which condition is common in this district) or as a source of gold production, the formation and appearance being correct for that."

In concluding his report Mr. Cohen states: "In my opinion, we can look forward to a very satisfactory development of this property, which, at present, gives promise of marked success."

Whitewater Opens Excellent Shoot in Slocan Country

Whitewater mine, Slocan area, B.C., has opened up the best shoot of ore developed since operations were resumed a year ago. The strike was made on No. 12 level, in the main Whitewater vein. The ore had been drifted on for 150 feet, the face showing ten feet of high grade silver-lead-zinc milling ore. This showing has been opened at a depth of 1,600 feet and the ground between this point and the surface has not been worked. It is now intended to raise in this new ore showing, and drive the different upper levels to tap it at the different horizons.

Grading for the new mill at the Whitewater is completed, and foundations are now being laid.

At the annual meeting of the company the following officers were elected: President, Major-General J. W. Stewart, Vancouver; vice-president, D. McLeod, Vancouver; secretary-treasurer and managing director, W. H. Burgess, Kaslo; directors, Capt. F. R. Glover, Vancouver; James Anderson, Kaslo; J. R. Court, London, Eng.; consulting engineer, A. Lakes, Nelson.

LAURIER MINES HAS 4 CREWS IN FIELD

Good Looking Discovery Made in Dufresnay— Wide Zone Indicated

A report from one of the field engineers on ore of Laurier Mines groups in north-eastern Dufresnay Tp., Quebec, gives information regarding the discovery made recently. He says he found a rusted mineral consisting of massive porphyrites dessinated calcopyrite and bornite and fractures all the length of the hill on one side and down in the swamp for over 300 feet. He does not know yet how heavy in copper it runs but is starting to shoot into it and trench a little across the whole mineralized zone. From surface indications it very much resembles the Amulet. He is adding six more men to the crew immediately.

On the Gervais claims, now a part of the Laurier holdings, three mineralized zones have been discovered. One is just south of the east and west centre line at mileage 29½ on the Rouyn Railway. Here surface showings of copper alone have run over $8 per ton. A small crew of men was put to work on Monday.

Another crew starts next week on a group of claims in Destor Township which belongs to Laurier Mines. These claims tie on to Allied Mines who report assays of $18 per ton in gold near the Laurier boundary.

Laurier Mines, Ltd., now has four crews working in the Rouyn area.

Braycourt Mining is to Explore Montbray

From Our Own Correspondent.

MONTREAL—The Braycourt Mining Syndicate will send an engineer and party to its Montbray group of claims within the next week or ten days. Up to the present, only statutory, ditch opening and cross-cutting work has been done on this property. Camps are being built this summer and the staff shortly to be sent up will do the preliminary work before the diamond-drilling campaign is started.

To the east of the Braycourt group in the ninth concession of Montbray lie several important claims on which extensive diamond-drilling has been done.

Beside the ten claims in Montbray township, the Braycourt Mining Syndicate control five more in the township of Hebecourt and others in the townships of Laudrienne and Barraute.

The brokerage firm of Morgan, Benedict and Company is acting as trustees for all interests concerned, pending the carrying out of the financial organization of the syndicate and the election of the officers and trustees.

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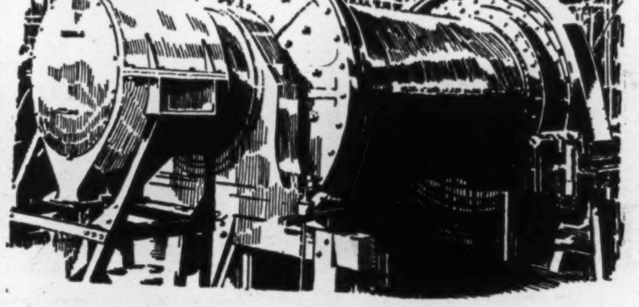
From 6-20 granular product down to flour there is a Kennedy-Van Saun mill to suit every need with dependable efficiency — made by the pioneers of crushing machinery.



Kennedy-Van Saun Rod Mill at Arvida, Que.

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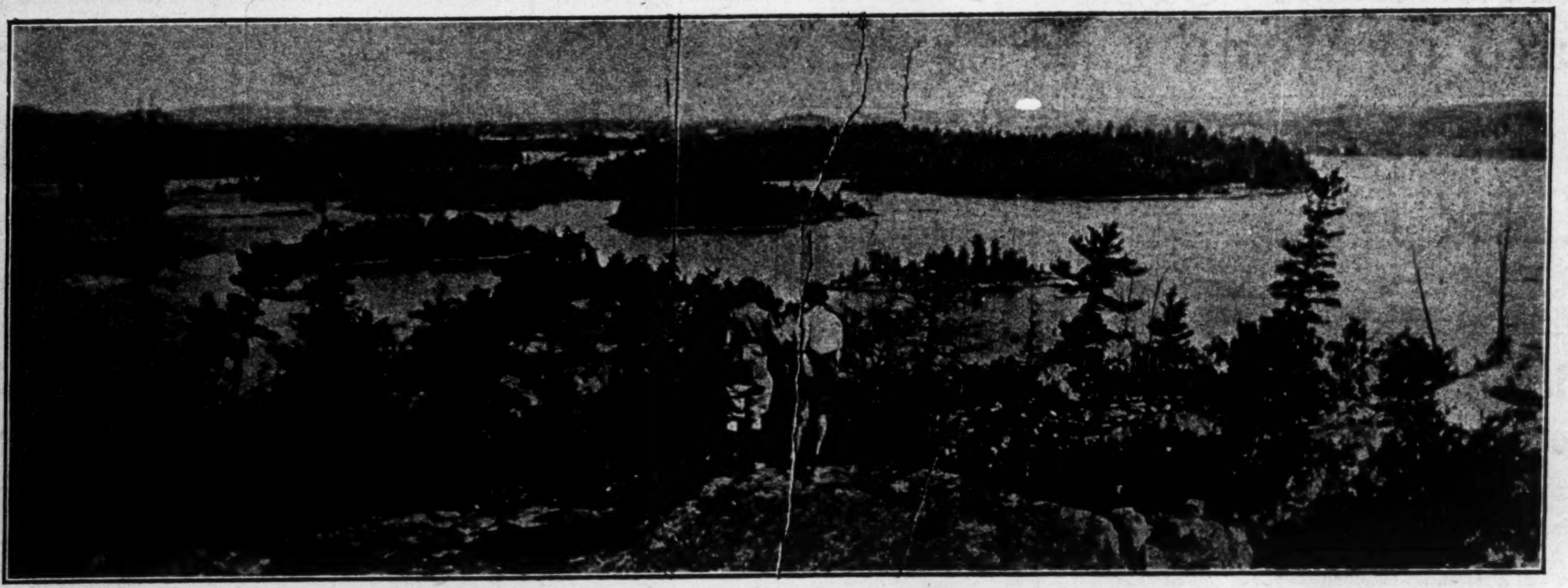


Bay of Islands—Panoramic view of playground lying along Algoma Eastern Railway.

PHOTOGRAPHS of scenes like this can only dimly suggest the exquisite beauties this section of Sudbury district has to offer. There are a myriad of scenes such as this, varying in character, but each having its own individual loveliness. To anyone looking for a delightful location for a summer home, a casual outing, or a chance for real out-of-door life with the best of sport, there is no section of Canada that has more to offer. The Algoma Eastern Railway will be glad to send attractively illustrated descriptive matter to anyone interested in the section.

THE ALGOMA EASTERN RAILWAY COMPANY

Spectacular Developments Evidence the Fabulous Mineral Wealth of the Section

DURING the past few months public attention has been focussed on some of the great mining undertakings of the Sudbury district. The public is indeed only beginning to appreciate what mining interests have known for long, that Sudbury district is one of the richest and most prolific of all Canada's great mineral sections. The splendid position achieved by the great mines already operating here is probably the best evidence of their virtually inexhaustible resources.

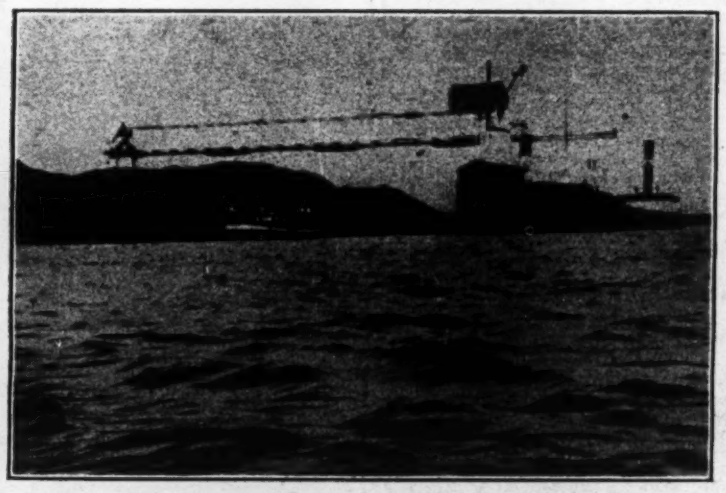
The lines of the Algoma Eastern Railway tap the nickel resources of the world. From this section comes virtually the world's entire production, and the thriving town of Sudbury is the nickel capital of the world.

On the Algoma Eastern at Copper Cliff is the great plant of the International Nickel Company of Canada, Limited, and its great smelters are in constant operation; farther along the line, at Creighton Mines, is the largest individual producing nickel mine in the world.

These great mines are all served by the Algoma Eastern Railway that opens for them a gateway to the cheap water-borne transportation of the great lakes. The lake port at Little Current is one of the natural outlets for mineral products and also a port of import for coal and coke and the various materials that the mines require.

Important recent discoveries of gold and silver and iron have opened up new possibilities of an even wider mineral development. It has been long known that these minerals were present in the section, but recent discoveries have demonstrated that they are there in quantities that may well make this section one of the most noted in the Dominion for its precious as well as its base minerals.

Pulp and Paper Companies and Other Thriving Industries Served by the Railway



Algoma Eastern Railway Coal Dock at Little Current.

The lands tapped by the Algoma Eastern Railway, as well as the virtually inexhaustible mineral resources, represents one of the great pulp and paper sections of the country. Spruce, balsam and cedar, white pine, jack pine, maple and birch are widely distributed in vast tracts. Already at Espanola there is one of the largest pulp and paper mills in the country, the largest unit of the Spanish River Pulp and Paper Company, and the future promises even greater development in this direction, a development that is made possible and economic by the potential hydro-electric power facilities available. There are also extensive lumbering interests grouped about these great resources of lumber.

It naturally follows that with the growth of these great industries there will be a growing demand for all the materials to serve their needs. Progressive and flourishing towns are already growing up around these sections, and there is a world of opportunity for the merchant and the settler to be on the ground during the development stage of this great section and so to be part of development and to grow and prosper with it. There is already a steady growth in population and each month sees a further development in that direction. New towns are springing up about new mining claims that will undoubtedly develop into flourishing and prosperous centres.

Those who know this section best, who have studied its possibilities and know its resources, prophesy unhesitatingly that the next few years will see an almost unbelievable development. They see in the section about Sudbury and indeed in all Sudbury district the indication of an immediate and spectacular development. This is the section served by the Algoma Eastern Railway, and no small share of this new progress is due to the service the railway has rendered in opening up and making accessible this great territory.

Sudbury the Beautiful Calls to the Traveller

Sudbury district has long been known as an artist's paradise, and there is nothing in Canada to surpass the natural beauties of this great section. Especially is this true of the southern section of the line that passes through the Manitoulin district and ends on Grand Manitoulin Island, one of that lovely archipelago that dots the northern part of Lake Huron. The Algoma Eastern has opened up this beautiful section so that it is readily reached by the tourist. The tourist can travel from Sudbury to Little Current on Manitoulin Island, that formerly could only be reached by steamer, and here in beautiful McGregor Bay and Bay of Islands find some of the most lovely summer locations to be found anywhere.

MANITOULIN

The terminus of the railway is at Little Current, on Grand Manitoulin Island, the most beautiful of the islands of the great Huron archipelago, inaccessible except by steamer until the construction, a few years ago, of the Algoma Eastern Railway. Its paramount attractions for the summer idler or eager sportsman have made its countless bays and lakes favorite outing spots for those who love the open, the delightful northern climate, and the unrivalled opportunities for fishing, boating, bathing and camping. There are numerous resorts and hundreds of choice locations for the camper.

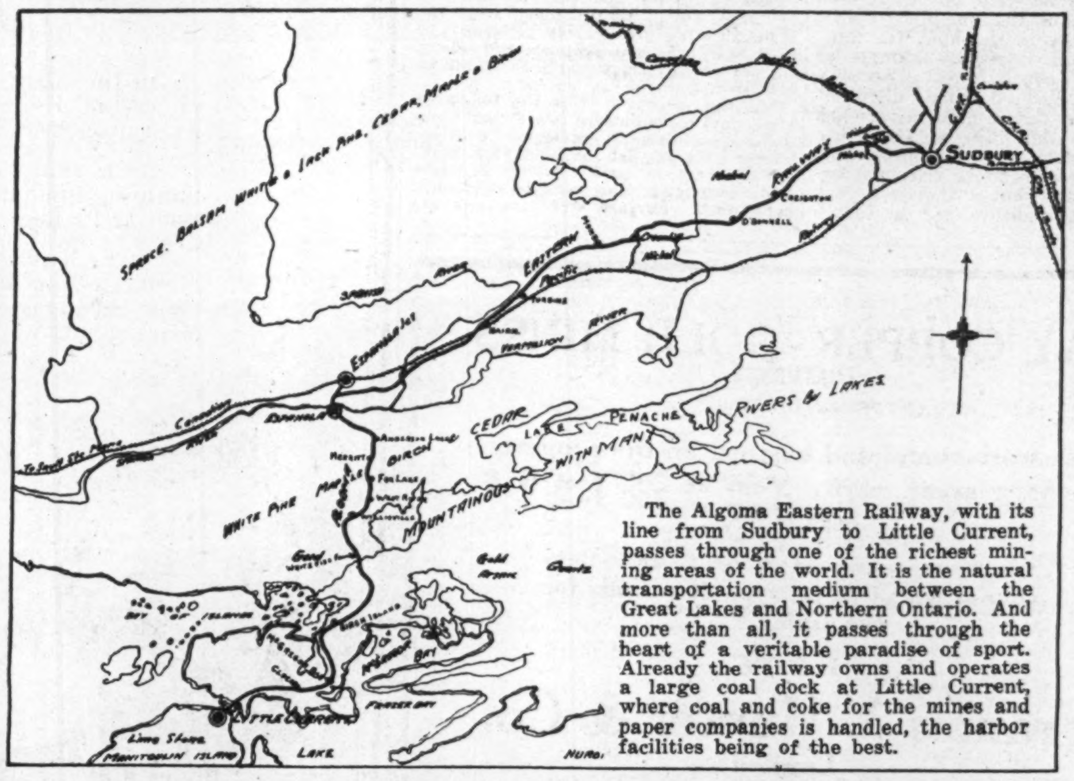
For the hunter this section cannot be surpassed. There are moose and red deer in abundance, while partridge and wild duck are plentiful almost everywhere. The Algoma Eastern Railway has made this whole section easy of access to all.

Visit this Marvellous Unspoiled Land and See its Opportunities for Yourself

Nowhere else will you find so much to interest on a railway trip as the Algoma Eastern has to offer. Lovely lake and island scenery, mountain streams and primeval forests, great mines, great industries, and a new land all unspoiled. When you are planning a vacation, consider what this section has to offer, not only in its great natural beauties but in business, industrial and financial opportunities. It will be well worth your while to come and see this splendid section for yourself.

All this Fabulous Wealth of Natural Resources is Tapped by

The Algoma Eastern Railway



The Algoma Eastern Railway, with its line from Sudbury to Little Current, passes through one of the richest mining areas of the world. It is the natural transportation medium between the Great Lakes and Northern Ontario. And more than all, it passes through the heart of a veritable paradise of sport. Already the railway owns and operates a large coal dock at Little Current, where coal and coke for the mines and paper companies is handled, the harbor facilities being of the best.

THE MAP OF THE ALGOMA EASTERN RAILWAY COMPANY LINE

Why Sudbury Nickel Ores Are Refined Elsewhere, Port Colborne and Wales

Transportation, Fuel and Power Factors in Inter. Nickel Location

MOND NEEDS COAL

Process is Carbonate One—Nickel's Expansion of Refinery Reducing Costs

Why Port Colborne; why Wales for the refining of Sudbury nickel ores? This is a question that is frequently asked.

The explanation is that it is a question of costs, though many factors enter in both cases.

Port Colborne is much in the forefront of late because International Nickel has been tripling its plant there and will do all its refining at that point in future instead of part there and part at Bayonne, N.J.

In passing it might be remarked that since the enlargements have been made at Port Colborne, the company has found that it was able to make a material reduction in costs and further drops are expected.

Studied Many Sites

International Nickel made quite an exhaustive study of various locations before it decided that Port Colborne was the choice of all for the location of its Canadian refinery. The big factors in the decision were that fuel could be secured cheaply at low transportation cost; there was an ample and dependable supply of electric power and excellent transportation. That the decision to locate there was a good one, is indicated by the decision of the company to do all its refining there. There is also the possibility that later the company may add a copper refinery to its present nickel refinery. It has been officially announced that the company intends to produce electrolytic copper.

Mond Nickel refinery is located in Wales. The main reason is that this site is close to an abundant supply of anthracite coal. Coal is an important factor in Mond refining as the basis of the company's process is carbon, it being a carbonate process. There is also the factor of markets. Nickel is a world product and the site of the refinery is suitable for world-wide shipping. Mond's big market is England, though its subsidiary in the United States has been making good progress, judging from the remarks made at the last annual meeting.

The site of International Nickel's plant at Port Colborne is 350 acres in extent and takes in about one mile of water front on Lake Erie. Quite a part of this the company has turned over to the town for a park, the beach being an excellent one. There are two railway connections, C.P.R. and C.N.R. and it is understood that in shipping its nickel-copper matte from Coppercliff to Port Colborne the company splits the business fifty-fifty with the two railways. The plant is just east of the Welland Canal and the company can employ water transportation for such commodities as can be brought in that way.

The Foundation Co., Montreal, constructed the plant, the estimated cost of which, completed, was $4,000,000, but because of the expansion since, this amount has been greatly exceeded. All the buildings are of steel and brick construction and in their erection the company made liberal allowance for expansion. Standing out, when one enters Port Colborne are the two refinery stacks, 250-ft. high or 50-ft. shorter than the two immense stacks which Consolidated Smelters recently erected at its refinery at Trail, B.C.

Coniagas Starts Electrical Survey in Montbray Township

An electric survey of the property of the Coniagas Mines in Montbray Township has been started. A new machine recently brought from Sweden is now on the ground. Fears were expressed that it would be impossible to get the machine in owing to the early break-up, but the weather lately has helped to save the winter road. A small gang of men were kept on the property all winter. They made a magnetic survey and prepared the lines for the electrical survey. The extent of the electrical survey is dependent on developments. It is also learned that the Nipissing plant has all been moved into the property in Montbray Township. The plant is a steam-driven one, and officials are well pleased that they were able to get it into the property before the winter roads disappeared altogether.

Magnet Sorter Has Cut Costs at Mond

Most of the nickel-copper ore, if not all, produced in the Sudbury camp has to be sorted. This means that a great deal of waste rock is cobbed out or picked out by the miners before the ore is shipped to the mill or smelter, depending on the grade.

This is costly work and has its limitations. Mond Nickel recently got over this by patenting a magnetic sorting machine. The belt carrying the ore passes over a series of magnets of different magnetic strength. The sulphides in the ore make it subject to the magnetics. The company has gone a little further and is employing this automatic sorter in sizing the ore, three different sizes being drawn off the belt at different points.

SUDBURIANS TOO CLOSE TO NICKEL TO SEE ITS CHANCES

Result is That When Market for Shares Soared They Had Sold

SOME HEAVY HOLDERS

One Northerner Got Facts at Detroit That Led Him to Load Up

One would naturally think that the people who would profit mostly in the rising market for International Nickel shares, would be the people of Sudbury and Copper Cliff. They are close to the scene of operations and in a position to gather first-hand information.

Yet there is less Nickel stock held in Sudbury and Copper Cliff to-day than at any time in the last ten years.

For years Sudbury held Nickel around 12 and when it moved up to around 18 and they had fifty per cent. profit, they took it. On the other hand there are a few Sudburians who have been buying the stock all the way up. One notable case, supports the contention that the majority of people of the district were too close to the operation to appreciate its possibilities. It is the case of a Sudbury man, now holding over 3,000 shares of Nickel. He got his hunch to buy Nickel in Detroit. He attended the International Dairy show there and was impressed with the tremendous amount of nickel used in the manufacture of the various dairy utensils, ice cream freezers, etc. The manufacturers of these displays told him what a wonderful difference the nickel alloy made in the manufacture of these articles and the great possibilities there were in its use, the only thing they had to worry about was would the supply of this metal be exhausted in a few years.

The Sudburian was able to tell them of the hundred years ore reserves in his home district. When he got home he started loading up on Nickel stock and is still buying.

Nickel Refinery Means Great Deal to Port Colborne

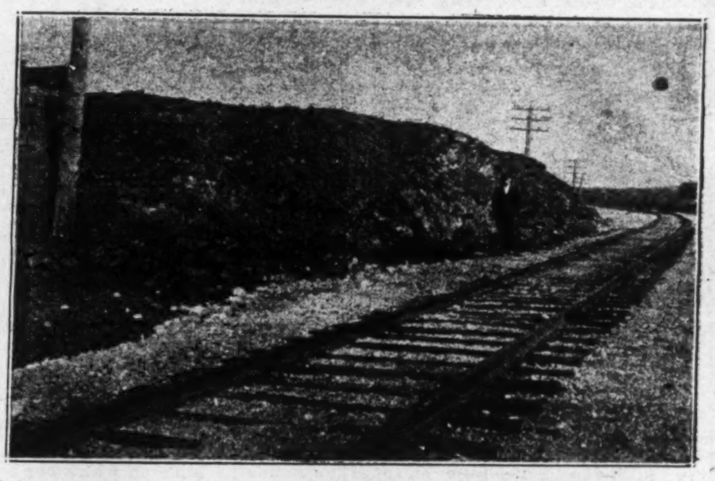
Why is Port Colborne proud of International Nickel refinery?

On a basis of 15,000,000 pounds of nickel yearly, the company required 400 employees. When the enlarged plant is complete, it is expected that this force will be close to 1,000.

There is a tremendous incoming railway tonnage at all times, giving employment to railway workers and others. In addition there is the outgoing product.

Nickel is a tremendous purchaser of supplies for its refining process and is a heavy purchaser of soft coal, coke, cordwood, oil, nitre cake, charcoal, silica rack, salt, soda ash, nitrate of soda, sulphuric acid, fire clay and fire brick.

Railways Found Nickel



It is ancient history that the cutting of the C.P.R. right of way made the initial discovery of ore at Sudbury. The above is the cut made. It was at Murray Mine.

History of "Nickel," Which Started as Copper Venture is History of Nickel Area

(Continued from page 17)

and 1899, while 1901 saw a total of 268,706 tons produced, or 35% increase over the previous year.

The early trouble of the company, lacking as it did a refining process of its own, was the marketing of its matte. The Ontario Nickel report says the crucial requirement of the company was the possession of its own refinery. There was no ground for concern on the subject of ore. The Orford Copper Co. had a refining plant at New Jersey that had demonstrated it could refine Ontario nickel cheaply. It was suggested that the Orford Co., on its part, was anxious to acquire nickel to be independent of the mining company, which was the Canadian Copper Co. It was looking for that purpose towards new Caledonia. It was the day of mergers and combinations. All conditions were favorable to consolidation in one sound corporation of all the competing interests concerned in the production and sale of nickel. There were mutual attractions for both the producing and refining companies and as a result the outcome of the negotiations for an amalgamation was the formation of a holding company in the International Nickel Co., incorporated under the laws of New Jersey in April, 1902. This company acquired the whole of the capital stock of the Orford Copper, the American Nickel Works and the New Caledonia Co., Societe Miniere Caledonia, 24,900 shares of the Canadian Copper Co. out of an authorized capital of 25,000 shares, 33,559 of the Anglo-American Iron Co., 2,373½ shares of the Vermillion Mining Co. of Ontario, and 140,906 shares of the New Caledonia Co. Nickel Corporation, Limited. The other shares not acquired were eventually acquired for cash.

The consideration was the issue of first mortgage 5% bonds to the extent of $9,890,837 and 6% preferred and common stocks of a par value of $8,912,626 each, making a total bond and stock liability of $27,716,089. For the remaining shares of the Ontario Mining Co., the Canadian Copper Co., Anglo-American Iron, and Vermillion Mining Co., and 912 shares of Nickel Corporation, Limited, the company paid roughly $160,000. In October 1902, an additional issue of $500,000 of bonds were sold at par and the proceeds used for working capital. The Huronian Co. Ltd., incorporated in Ontario, 1902, was purchased for cash at a later date. This latter company, by the way, was the power company which has a large electric plant, including dams, etc., which cost 681,089.

Out of its authorized capital, International Nickel Co. made a first issue of $8,912,676 of 6% preferred stock and an equal amount of common stock, and an issue in addition of $9,898,837 first mortgage 5% bonds. There was a further issue of common stock in June, 1910, which amounted to $2,670,000 which was issued at par to both preferred and common stockholders to the extent of 15% of their holdings, following a 25% cash dividend on the common stock, the total issue of stocks and bonds stood at $10,391,837, bonds $8,912,626 preferred and $11,612,026 of common stock. Bonded indebtedness had been reduced by payments under sinking fund in September, 1912, to $7,900,154. All the outstanding bonds were then called at $110 and interest, and were redeemed and the bond mortgage for this security satisfactorily discharged.

Financial affairs of the original International Nickel Co. were reorganized on September 5, 1912, to suit the laws of New Jersey, by means of a consolidation of the company with Colonial Nickel Co., which was incorporated the previous year for that purpose.

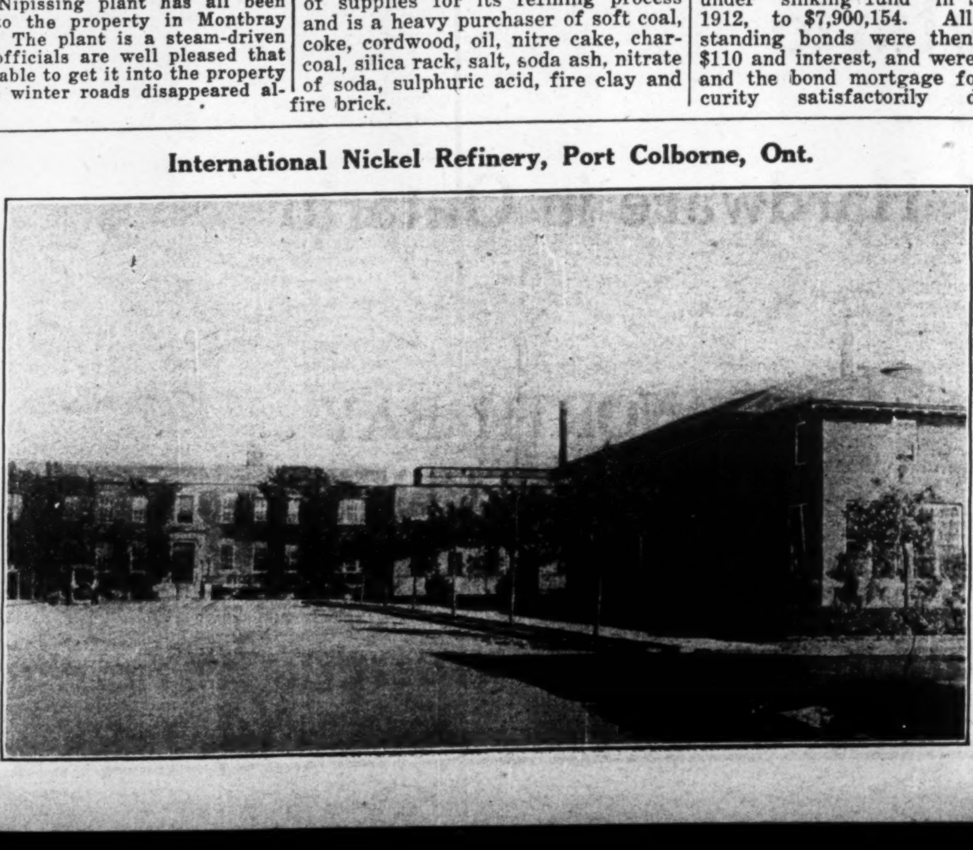
The new company was called The International Nickel Co., authorized capital $62,000,000, of which $12,000,000 was non-cumulative preferred and $50,000,000 in common shares, per value of each $100. Since the reorganization, preferred stock in the original company was exchanged for a like amount of preferred in the new and holders of the common received two and a half shares in the new company for each share in the old. By agreement with Colonial Nickel Co., $8,000,000 was used to retire the outstanding bonds.

The stock issued to raise this fund was offered at par to shareholders in the new company and the net result was that the new corporation obtained all the assets of the old company and $9,000,000 cash against an issue of $8,912,626 preferred shares and $38,031,500 common shares. A stock dividend of 10% payable November 1st, was authorized to common shareholders on record on October 15, 1915.

On January 18, 1916, the par value of the common shares was reduced from $125. The report of the Ontario Nickel Commission says that at the end of the last fiscal year there were 7,145 shareholders. The latest information to hand is that there are to-day 24,000 shareholders of whom there were 7,000 shareholders in Canada. This was prior to the recent spectacular movement in the stock and undoubtedly the number of holders in Canada has now been increased by a few thousand.

In July, 1916, the International Nickel Co. of Canada, Ltd., was incorporated under the Dominion Companies Act, as a subsidiary to the holding company of the United States, and it took over the operating of the copper plant and mine at Copper Cliff as well as the new refining plant which was established at Port Colborne. This latter plant was started about that time and during the last year an expansion program which would very materially increase the output of the refinery has been under way.

International Nickel Refinery, Port Colborne, Ont.



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June 16th, 1927.

Dear Sir (or Madam):-

Since the inception of the later development of the Sudbury Basin, we have had a competent representative on the ground analysing the situation and securing titles to claims which developments show to be in a most favorable position.

A Syndicate is now being formed to explore by diamond drilling a large group of claims, which, from their geology and position, should show splendid results. We will gladly furnish full details of this operation on request.

We are convinced that this presents an exceptional opportunity to secure an interest and share in the enormous new wealth which is now being developed in this district.

Yours faithfully,
AETNA SECURITIES LIMITED.

Mond Nickel Has 30 to 40 Years Ore Reserves Plant Now at Capacity

Efficient Nickel-Copper Producer at Coniston—Little Known to Canadians

OPERATES FOUR MINES

Levack and Frood Extension Have Large Reserves — Description of Plant

Mond Nickel Co., operating in Sudbury district, for over a quarter of a century, to-day stands out as one of the Dominion's leading mining enterprises.

The strange fact about Mond is that few in Canada have any knowledge of it and still fewer realize its possibilities.

With a tremendous plant at Coniston, 9 miles east of Sudbury, efficient and economical in operation and with between thirty and forty years of proven ore, the company now seems to be in a position to carry on a highly profitable operation on a large scale.

Mond Nickel has, after many years, just reached the goal aimed at. Its plant is working efficiently and at capacity and there are no more troubles over ore.

Dr. C. V. Corless says they have 30 to 40 years in ore reserves and he is not now concerned with the possible ore reserves. It is evident that the estimate of 30 to 40 years is a conservative one.

Operates Four Mines

Mond Nickel draws its ore from four mines, Garson, Worthington, Levack and Frood. All have great possibilities. Worthington, which for years has given up very rich ore, continues to open out well. Garson has been the chief source of ore for some considerable time, but it is in the Levack and Frood mines that the company has opened up very large reserves.

When one speaks of the Frood Mine, it is associated with International Nickel which owns the Frood Mine proper. To distinguish, the Mond holding in the Frood is called Frood Extension. Literally this is wrong as the Mond holding in the Frood is not an extension at all, but is a sizeable section right out of the middle of this tremendous ore body and carried into Mond ground by the dip of the ore body on the deeper levels. (See map accompanying.) A description of this ore body will be found in another part of this issue, the writer having been accorded the privilege of going down to the 2,000-ft. level to inspect it.

A separate article is also devoted to the Levack ore body.

Plant is Efficient

On the occasion of a recent visit to the Sudbury area, the writer spent some considerable time in going through the plant of the Mond Co. at Coniston. Dr. Corless kindly arranged with Mr. Robertson, his chief metallurgist, to conduct the tour and explain the highly technical operations leading up to the production of a nickel-copper matte, which the company ships in barrels to its refinery in Wales, where the final treatment is carried out.

To the layman the Mond plant resembles much the various metallurgical works scattered throughout the country which employ the modern methods of flotation and furnaces to extract the various metals from the ore. Just back from a visit to the large plant of Consolidated Smelters at Trail, B.C., the writer could see much in the earlier stages of the two operations that resembled each other. Smelters process is carried out in its entirety at Trail, whereas at Coniston, as has been said, the ore is just reduced to a matte, high in nickel content, and carrying as well copper and precious metals, the latter mostly platinum, in the mass form. Because of its high value, it is shipped in strong barrels to the old Country.

Method of Treatment

As is usual with all mines, Mond properties produce low and high grade ores. At the mines are sorting plants and waste is picked from the ores as they are raised. The high grade ores, in coarse form, go direct to the blast furnace while the fine high grade goes to the sintering plant where it is caught up to by the concentrates from the mill. Low grade ores are shipped to the mill at Coniston where it is crushed, and washed on tables to separate the sulphide from the rock. The rock from the tables is reground, this time finely, and most of the remaining sulphides (the metal carrier) extracted by oil flotation machines, the sulphides floating out in the oil. The mill product is called a concentrate and what the mill really does is reduce three tons of low grade, mostly rock, to one ton of concentrate, mostly ore.

This concentrate goes to the sintering plant where it catches up with the fine high grade ores from the mine. The sintering plant is nothing more than a moving table on which the concentrates and fine ores are pressed and heated until they form into a mass called a sinter. It is really a lump which makes it suitable for the furnace. This moves on to the blast furnace where it comes up with the coarse high grade ore from the mines. It is placed in the blast furnace with a percentage of coke and limestone to form molten slag and furnace matte which latter contains about 15 per cent. of nickel plus copper. The slag and matte are separated in the furnace by gravity, in furnace settlers. The slag contains the rock matter and being the lighter rises to the top like the cream on a milk bottle and overflows. Slag cars underneath catch this and carry it off to the massive slag dump, which to-day presents a mound of cooled molten slag. The matte, containing the metallics, nickel, copper and precious metals, is run into ladles and poured molten into the converters.

Ship Matte to Wales

In these Bessemer converters a certain percentage of low grade ore is added as flux and by blowing air through the furnace matte it is smelted and concentrated into a Bessemer matte, the content of which is about 82 per cent. nickel, plus copper, or about 46 to 47 per cent. nickel and 35 to 36 per cent. copper. This is the product that is shipped to Wales.

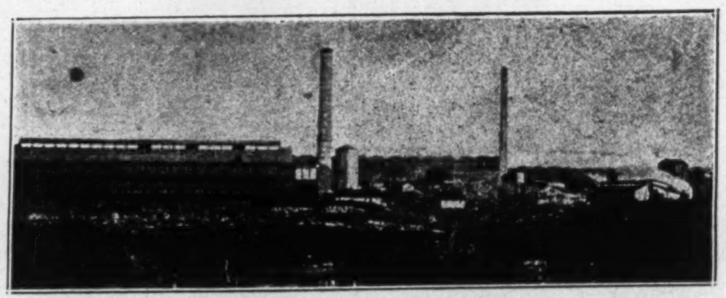
The gases from the plant, heavy in sulphur because of the sulphur content in the ore, are now saved and treated in the sulphur plant and sulphuric acid is produced from this hitherto waste and when released in the air, damaging product.

It was interesting and at times trying to go through the plant. For instance when the sintering plant was reached, the heat was terrific, yet the men work there steadily all day. There was also a tremendous load of sulphur in the air and these conditions were pretty well repeated at the blast furnaces. At the converters there were no sulphur fumes to contend with but the heat when the converters were being dumped was terrific. Rather a pretty sight was that at the blast furnace where the cream, in this case worthless slag, was overflowing from the big bottle, the furnace settlers. There were steady streams of the molten liquid, fiery red in color, constantly pouring. The slag cars are large cylinder containers which run out a considerable distance from the plant on tracks and are dumped automatically. The heat along this pile of slag is great at all times as there is a steady stream of these cars moving out, throughout the day.

Chinaman Tried to Cinch a New Job

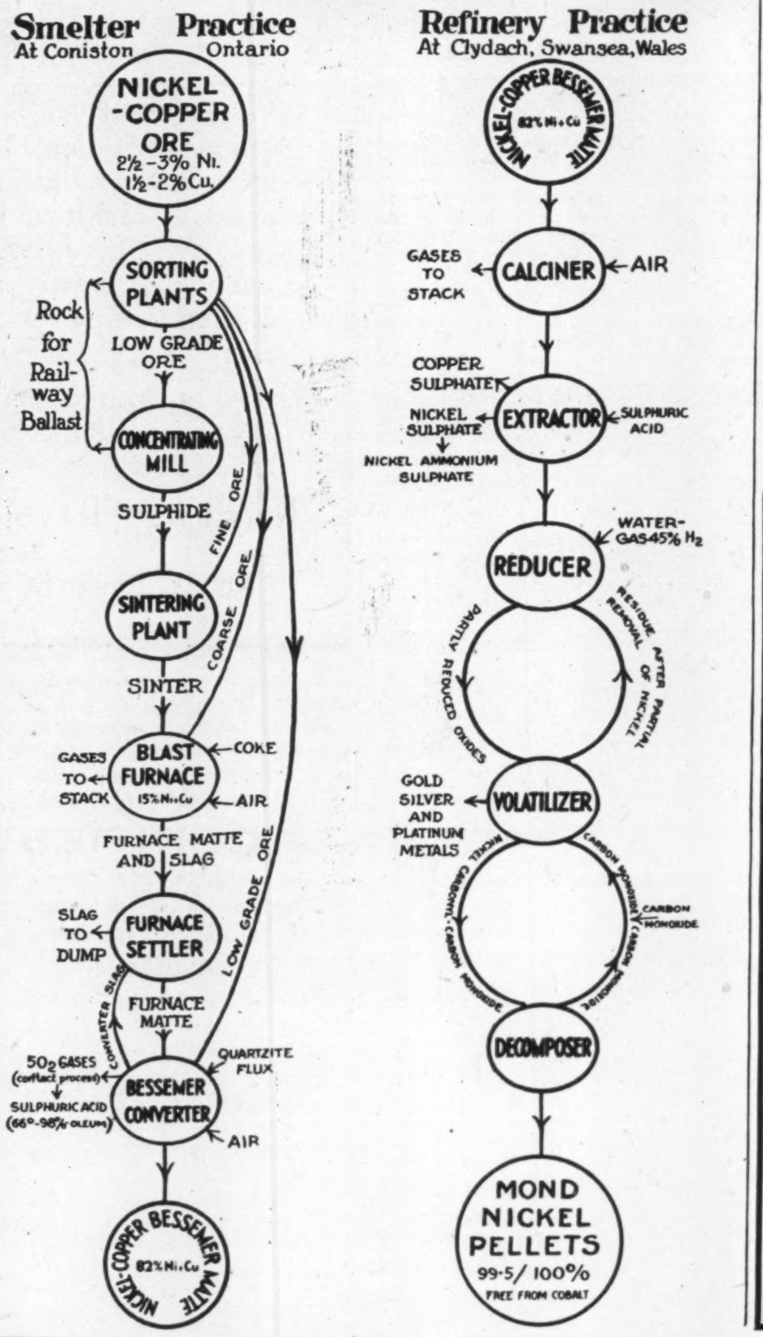
Among many engineers it is said that if you are a graduate of McGill one stands a good chance of getting on the staff of Consolidated Smelters or Mond Nickel. There may be something in this as the writer noted on a recent visit to both plants and mines that there were quite a number of McGill men around. They tell a story of a chinaman who applied at the Mond for a job as cook and when told that there was no opening he replied: "Oh me from McGill."

Mond Achieves Success



Conniston plant of the Mond Nickel where nickel copper ores are smelted and reduced to Bessemer Matte which is shipped to Wales for refining. For years Mond battled along to find ore—Today it has huge reserves and an efficient and economical plant operating at capacity.

Mond Nickel's Smelter and Refining Process in Detail



Smelters Has Taken Up Atlin, B.C., Group

Big developments are looked for in the Atlin country of British Columbia this year. It is just announced that Consolidated Smelters has entered the district and has taken up the district adjoining the Engineer and Gleaner mines. Recognition of the Atlin district by the Consolidated will attract further attention to that section of the province, where the Ogdad Gold and Atlin Silver-Lead are coming into production. Kirkland Gold Mines and other properties are also located there.

It is presumed that this property has been taken over on terms something like those in connection with the George Copper, Portland Canal district. That is, the option is for a certain period, during which development will be carried on. If this has satisfactory results, the purchase of the property will be made.

The Happy Sullivan group consists of three claims, Crackerjack, Gold Hill and Gold Bullion. The showing is a big quartz vein 22 feet wide. The vein is a strong one, and shows up on the hill for a length of fifty feet. A tunnel was started in 1918 to crosscut the vein at depth, but money was not available for its completion.

Ranger Lake Stock Listed

Stock of the Ranger Lake Mines, Ltd., has been listed for trading on the Standard Stock and Mining Exchange. The company owns property in the Michipicoten area, Algoma, including eleven claims in the Ranger Lake district. Officials state that diamond drilling trenching, stripping, and test pits, have been completed, and that shaft sinking is to start at once.

Ranger Lake Mines is capitalized at $2,000,000, shares of $1 par, of which 1,205,356 shares are issued. The company states that it has $25,000 in cash in the treasury as a result of sale of the company's stock. It is also stated that all 11,000,000 shares of vendor stock are pooled until February 1, 1929.

Nickel Lands for Sale

From 3,000 to 3,500 acres of patented nickel land situated in the Sudbury Nickel Basin await capital for development. These adjoin well-known producers and are situated in the following Townships:

CREIGHTON LEVACK
SNIDER GARSON
BLEZARD MACLENNAN
MORGAN TRILL
BOWELL DOWLING

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Nickel's Rich Copper Body is Worth $1,000,000 per ft.

Frood Will Rank Among One of the Greatest Mines on the Continent When Fully Developed

EVIDENTLY TWO MINES IN ONE

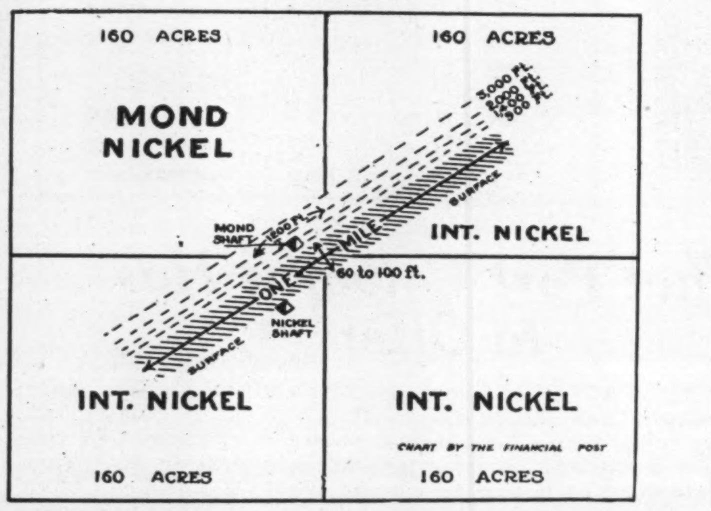
Like Teck-Hughes Gold Mine It Has Low Grade Deposit on Top and Very Rich Ore Below

Mineral	%	Lbs. per ton	Price per lb.	Value per ton
Copper	10	200	12½	$25.00
Nickel	2	40	23	9.20
Gold, silver, platinum	..	..	..	15.00
				$49.20

The above are generally accepted as the correct values of the ore which International Nickel cut in five diamond drill holes carried down to 3,000 feet on the Frood ore body. Nickel is now rushing down a large shaft, larger than the deep shaft which was sunk at the McIntyre, to develop the ore body. It will be carried to 3,000 feet and at the moment the miners are working around 1,100 feet.

The indication is that the Frood Mine, like Teck-Hughes, is two mines, one on top of the other. The low-grade deposit extends down to below the 2,000-ft. level, although the ore on the 2,000-ft. level looked quite rich and massive at that horizon of the Frood Extension which is the same ore body as that of Nickel and also about its best part.

Billions in Ore



There are not many ore bodies in the world that can be valued on the basis of the heading of this graph—it shows a rough outline of Frood ore body—its tremendous length and the dip, 60 degrees, where it strikes into Mond Nickel Ground—the figures at the end represent depth on the Mond property.

Could Work as Two Mines

The old nickel shaft on the property is down 400 feet. This could be enlarged and deepened and allow for the working of the low-grade section of the mine as a nickel-copper venture while the new shaft could be used to haul the high-grade ore for the new plant that the company's president, Robert Stanley, has officially announced they will construct.

The writer has not seen an estimate of the total tonnage of the Frood mine, other than a general estimate of the whole deposit to its known depth and which placed a total value of a billion dollars.

On the Frood Extension at 2,000 feet the body averages from 60 to 100 feet in width for a length of 1,200 feet. On the 3,000-ft. level Mond would have nearly double this length. Thus as the deposit goes deeper Mond gets more of it and Nickel has less. How this works out will be seen from a graph presented in this issue.

Length of 4,000 Feet on 2,000-ft. Level

However, on the 2,000-ft. level Nickel will have over 4,000 feet of the ore body at least, while on the 3,000-ft. level, accepting the gossan showing on surface as being the total length of the ore, it will have 3,000 feet.

On a basis of 3,000 feet long, with an average width of 80 feet and average value of $49, this would work out at about $1,000,000 per foot and a depth to 4,000 feet would give the total of $1,000,000,000, and this does not take into consideration the value of the 3,000 feet of low-grade ore which lies on top. On a basis of two per cent. copper and two per cent. nickel, this would have a value something like the copper body below.

CRITICS SHOULD BE CONSTRUCTIVE NOT DESTRUCTIVE

Saskatoon Man, Well Posted on Alberta Oil Situation, Answers Critic

The Editor,
The Financial Post,
Toronto, Ont.
Sir:

I read with interest an article by Mr. A. W. Dingman of Calgary, in your issue of May 6th, last, in which he brought out some very interesting, and convincing evidence as to the unlimited possibilities in the development of the Oil Industry in Alberta, which should do a lot to awaken the Canadian people to the opportunity that is theirs by co-operating to develop this greatest of our natural resources.

I also read in your issue of May 20, an article by Uh-Huh of Toronto, not with interest but rather concern when I see we have in this great country of ours with such great natural resources, men who by the way do not sign their names, and have nothing but destructive criticism to offer to the development of this country. However, I feel less concerned and I think my readers will agree with me when I say that if Uh-Huh had the business ability he would lead one to believe he must have by his criticism, he surely would also have been blessed with the ability to know in which direction to use that given ability, though the reader does not claim that constructive criticism is more of a sign of ability than destructive, such as Uh-Huh has apparently undertaken.

It may be true that some of Mr. Dingman's article is confusing, yet when it is referred to as being (badly expressed) I do not think that the man on the street, who is used in the reference, is concerned sufficiently to criticise the expression of one paragraph of a two or three column article. And men of such business ability as your correspondent can surely understand any phrase or paragraph no matter how (badly expressed). However there are plenty of plainly written facts in Mr. Dingman's article which any man can easily understand, which points out the possibilities in the development of this great industry, and which I believe is Mr. Dingman's sincere object, in contributing his article.

It may be true that there are Oil Concerns who have not given the public a "good run," but that is nearly always true in the development of any industry in any country, particularly during the earlier development of natural resources, and here I would like to ask Uh-Huh if all the Canadians who invested in the development of Oil in other countries got a "good run," and there are lots of them who invested as Mr. Dingman has stated.

The writer has been personally through the Alberta fields, watching the pioneering and developing that has taken place for several years, and knowing the possibilities and opportunities that some good companies have to offer the public at the present time, and who would welcome investigation on the part of intelligent investors, does not think it in the best interests of the future development of our natural resources whether it be the Oil industry or any other, that the public should be poisoned against them such as this unknown has apparently undertaken to do.

In concluding I wish to suggest that if this man of ability has some constructive criticism to offer, using that ability in that direction it would be welcomed by all, including Mr. Dingman who would be subjected to criticism. But if he has nothing more to offer than to take one paragraph from a two or three column article and pick it to pieces, then I feel safe in saying that we do not require the exercising of his ability in the development of the Oil or any other of our natural resources.

Yours for development,
J. W. FRASER.
Saskatoon.

Vancouver Stock Ex. Sales During May

Mining

Stock	No. Shares	High	Low
B. C. Gold	5,600	$ .05	$ .04½
B. C. Silver	5,400	1.77	1.62
Bayview	500	.03	.03
Coast Copper	6,400	20.50	8.50
Cork Province	76,550	.08½	.06½
Dunwell Mines	32,390	1.55	1.25
Glacier Creek	27,625	.11⅛	.08¼
Gladstone Mtn.	12,700	.26¼	.24
Independence	141,800	.10¼	.08½
Indian Mines	93,350	.08¼	.06¾
Inter. Coal	50,169	.24	.20½
L. & L.	186,900	.12	.10
Lakeview	12,000	.02½	.02
Leadsmith	25,500	.06	.04½
Lucky Jim	115,100	.22	.20½
Marmot Metals	20,650	.16	.13
Nat. Sil. G. S.	34,450	.18½	.15
Premier Gold	34,100	2.10	2.03
Porter Idaho	71,302	.17½	.15¼
Richmond	59,300	.27	.17½
Ruth Hope	7,500	.26½	.24½
Selkirks	3,000	.02	.01⅝
Silver Crest	24,600	.07¼	.06¼
Silversmiths	10,200	.37	.32
Standard Silver	1,000	.15	.15
Surf Inlet	4,000	.01½	.01½
Total mining	1,062,086		
Total value			$341,466

Oils

Stock	No. Shares	High	Low
B. C. Montana	253,000	.00⅛	.00⅛
Brit. Pete.	87,600	.16½	.11
Maple Leaf	6,110	.18½	.18
Trojan Oil	30,000	.00½	.00½
Total oils	376,710		
Value			$13,389

Industrials

Stock	No. Shares	High	Low
B. C. Elec. P. & G.	93	$105.25	$104.00
B. C. Tel. pfd. (new)	25	$103.00	$103.00
Gosse Packing pfd.	4	$53.00	$53.00
Gosse Pack. com.	2	$95.00	$95.00
Gregory Tire	200	.50	.50
Total Industrials	324		

Total value $13,004
Total Shares 1,439,120 Market Value $367,859

BROWNLEE CUTS BIG LOW GRADE DEPOSIT

Four Hundred Foot Zone Indicated by Drill North of Noranda

Management of Brownlee Mines, N.W. Quebec, adjoining Horne on the north, is out with the cheering report that the last diamond drill hole, No. four, cut some 400-ft. of well-mineralized copper-bearing rhyolite, similar to what the Noranda has been working in. This comprises five lenses, and indicates a considerable body of low-grade ore, and is by far the most successful result so far obtained, and quite up to the expectations and hopes of the management, from this particular drilling.

Previous holes were drilled in this ground more or less as feelers to establish the strike of the rhyolite belt coming into their ground from the Noranda, and in which the latter have been finding their high-grade lenses.

The development is an important one both for the Brownlee Company and the camp generally, as evidence of the probable extension of the Noranda enrichment to its neighbors. Diamond drilling on the latter has shown high-grade ore in approximately one hole out of every three bored, and now that the Brownlee management have learned where their ore is located, further drilling should show some interesting results and establish the point best suited for the sinking of a shaft and underground work which is now being planned.

PORTLAND CANAL INCREASING THE OUTPUT OF METALS

Optimism Prevails in District, Says Official of Geological Survey

SALMON AREA BETTER

Premier, B.C., Silver and Big Missouri Focus Attention in This Section

A tone of optimism prevails in the Portland canal district in consequence of mining developments carried on during the past year, says Dr. George Hanson of the Geological Survey. The Salmon River part of the district, brought to the fore by the Premier mine, has become still more attractive through the efforts of the British Columbia Silver Corporation on its property adjoining the Premier and by development by the Big Missouri Mining Company of new finds on the Big Missouri group of mineral claims.

Due to increased mining activity the Premier Gold Mining Company has maintained its substantial dividends, although mining a much lower grade of ore than previously. Shipments of ore from the Premier mine during 1926 were at the same rate as those of the previous year but the company's milling capacity was increased considerably, and it has also secured option on several other properties in the district.

B. C. Silver Outlook

British Columbia Silver Corporation is now in the more advantageous position of having definite information regarding the location and peculiarities of its ore deposit and its management is convinced that it has a property of considerable value. Some of the ore is good enough to pay the cost of expensive transportation and still yield a large profit, but most of it will have to be concentrated before shipment.

The new finds on the Big Missouri are more attractive than those known heretofore.

The Bear River part of the Portland canal district has no new ore bodies but new ground has been prospected with very encouraging results. The Dunwell Mines, Ltd., commenced the operation of a mill having a daily capacity of 100 tons, constructed during 1926. Three products are obtained, argentiferous galena, argentiferous zincblende and auriferous pyrite. Extensive development under the management of the Consolidated Mining and Smelting Company of Canada is also expected in the summer of 1927 on a copper-gold property located in this district.

Grade is Better

The Porter-Idaho Mining Company, Ltd., continued small shipments commenced three years ago from their property in the Marmot River part of the Portland canal district. During the past year 175 tons of ore were shipped, but the grade (425 ozs. silver and 35 per cent. lead) was much better than that of the shipments of previous years. This ore came from newly discovered veins which proved to be the continuations of those previously developed. Another property in this section, known as the Harner group, was discovered and developed by open cuts during the summer of 1926 and is likely to produce ore in another year or so. Marmot river is a relatively new field and gives promise of greater activity. The properties are much nearer tidewater than those of Salmon River and most of those of Bear River, but trails are so far the only means of access. A waggon road is now under construction and although only two and a half miles long will be of considerable benefit to shippers.

AERIAL PHOTOS AID TO MINING

Mapping of Mineral Areas Proves of Benefit to Industry

Of the many practical uses to which the aerial photograph has been adapted in Canada one of the most important is its application to the mapping of the mineralized areas of the Dominion, says the Canadian Department of the Interior in a recent bulletin. Thus during the season of 1926 more than 36,000 square miles of such areas were photographed. This, apart altogether from the other aerial work accomplished, constitutes a world's record for such mapping.

The latest map of this type to be issued is known as the Carroll Lake sheet, covering the area lying immediately to the north of, and touching, the Rice Lake and Red Lake fields. This single map sheet greatly aided the prospector by adding over three thousand lakes, thousands of islands, and even reefs, and numerous connecting waterways, to those shown on previous maps. During the season just closed photographs were taken over an area covered by four additional map sheets of this series, lying to the east and southeast of the Red Lake area and embracing the mineralized areas of Woman Lake, Birch Lake, and Savant Lake. At the close of the past season almost 6,000 claims had been recorded in these districts, thus emphasizing the importance of the service being rendered by the aerial maps.

During the summer of 1926 for the first time planes and photographic equipment were available for use in western Quebec. These planes were dispatched to the Rouyn mining district and adjacent territory, and were successful in obtaining detailed photographs of 5,650 square miles of territory in this field. This represents the largest single detailed aerial surveys operation ever undertaken in Canada, and the photographs disclose minute details of the whole district.

The task of mapping these regions has been carried out ((from the photographs taken by the Royal Canadian Air Force) by the Topographical Survey, working in close co-operation with the Geological Survey of Canada, and the survey departments of the governments of the provinces of Quebec and Ontario. The information contained in the photographs is being rapidly translated and transferred to the maps, and it is expected that they will be available for the use of the prospector and the mining recorder this spring.

DRILLING SERVAIS MINES

KIRKLAND LAKE.—Diamond drilling is under way on the Servais property, situated in the southern part of the Kirkland Lake district. There are a number of strong veins in which low gold assays have been obtained. The diamond drilling is being done in the hope of locating greater mineralization at depth, or, possibly locating additional veins.

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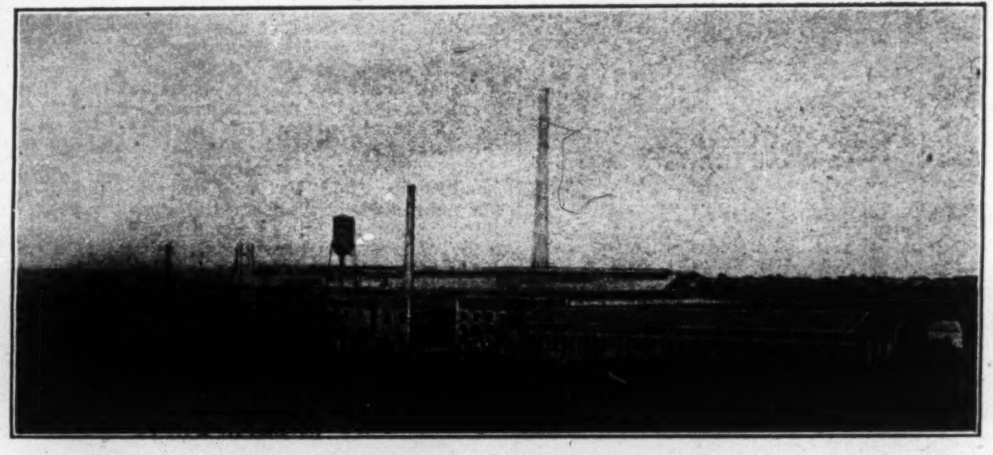
PORT COLBORNE

Offers the Essentials for Successful Manufacturing---Cheap and Ample Power, Cheap Fuel, Splendid Transportation Facilities Inexpensive Plant Sites Advantageously Located

60 per cent. of World's Nickel Passes Through Port Colborne

It is a surprising fact that Port Colborne, so far from the nickel mine district, should yet have one of the greatest refineries in the world, where the International Nickel Company refines all its ore. That this great company has found this a wise and economic method is surely worthy of reflection.

Port Colborne also occupies the enviable position as the fourth centre in Ontario in Industrial production, and the third in carload lot shipment. The reasons that justify these facts are given below.



International Nickel Co., Port Colborne, Ont.

These Industries Have Chosen This Location

- International Nickel Company of Canada.
- Canadian Furnace Company, Ltd.
- Maple Leaf Milling Company, Ltd.
- Government Elevator.
- Canada Cement Company, Ltd.
- Port Colborne Iron Works.
- Bell, Woodin and Snetsinger, Contractors.
- Ontario Bag Company.
- Valley Camp Coal Company, Ltd.
- Century Coal Company, Ltd.
- Humberstone Shoe Company, Ltd.
- Port Colborne Foundry Company, Ltd.
- F. Woods and Son, Machinists.
- Port Colborne Planing Mill.
- The Sherk Lumber Company.
- Lake Erie Bottling Company.
- Port Colborne Artificial Ice Company.

Why Great Industries Chose Port Colborne

AT FIRST blush it may appear difficult to explain why nickel mined in the Sudbury district of Lake Superior should be refined at Port Colborne on Lake Erie. It is obvious that there must have been important inducements offered to bring about these results, inducements sufficient to make it economically worth while to freight the rough nickel matte to Port Colborne for refinement instead of completing the refining process at the mine and shipping only the finished product. The inducements were fuel and power and transportation facilities. The Sudbury district could not provide unlimited power at low cost, while Port Colborne has the resources of the Ontario Hydro-Electric and Cataract Power Companies to draw upon, and one of the cheapest rates offered in Canada. Nor could the Sudbury district provide fuel at low cost, while Port Colborne has the lowest freight rate on coal of any point in Ontario. Located as it is on the Welland Canal, it is within easy shipping distance of the big markets of the East and a cheap and easy road to European and United States markets.

Not only has the International Nickel Company seen the advantages offered by Port Colborne, but other large plants have found these factors powerful enough to make it seem the only logical location. The Canadian Furnace Company operates one of the most modern blast furnaces on the continent at this point, maintaining a daily output of 350 tons.

The Canada Cement Company, Ltd., operates one of its largest plants here, producing over a million barrels of cement a year.

Here is located one of the largest and fastest elevators on the continent, owned and operated by the Government with an unloading capacity of 80,000 bushels per hour.

The Maple Leaf Milling Company have a large elevator and mill with a capacity of 1,750,000 bushels and a milling capacity of 14,000 barrels a day. These and other industries, after a careful consideration of what other manufacturing points had to offer, unhesitatingly gave the advantage to Port Colborne.

C. E. STEELE,
Mayor of Port Colborne

Members of the Municipal Council, Port Colborne, 1927

C. E. STEELE............Mayor
W. A. LEWIS.............Reeve
JOHN MORE ......Deputy Reeve

COUNCILLORS

W. H. Smith	H. E. Heighton
T. F. Murray	E. F. Dunn
J. P. Green	George Reekie

What Port Colborne Has to Offer

AS A MANUFACTURING centre, Port Colborne offers more advantages than almost any other centre. It is situated not twenty miles from the greatest power development in the world, with a competing power organization operating also from the immediate neighborhood. As a result, Port Colborne can offer a power rate to manufacturers that cannot be bettered anywhere, and that in virtually limitless quantities.

The town has a magnificent harbor on the Lake Erie entrance of the Welland Canal. This strategic position has a value that can hardly be overestimated. It provides cheap water freight direct to the factory door, and a means of distribution that stretches out through the great network of waterways and through them directly to the sea.

The location of Port Colborne itself is strategic because of its nearness to the great raw material producing markets. Virtually all raw materials can be laid down at Port Colborne by water freight at minimum rates. As an instance, take bituminous coal that is so large a factor in many manufacturing operations. It can be laid down from the Pennsylvania field via rail and water transportation for an average freight rate of $2.75 a ton.

It was J. L. Landt, Consulting Engineer for the Dominion Fuel Boards during the coal strike, who pointed to Port Colborne, because of this one factor, as the most promising location for a great coking plant.

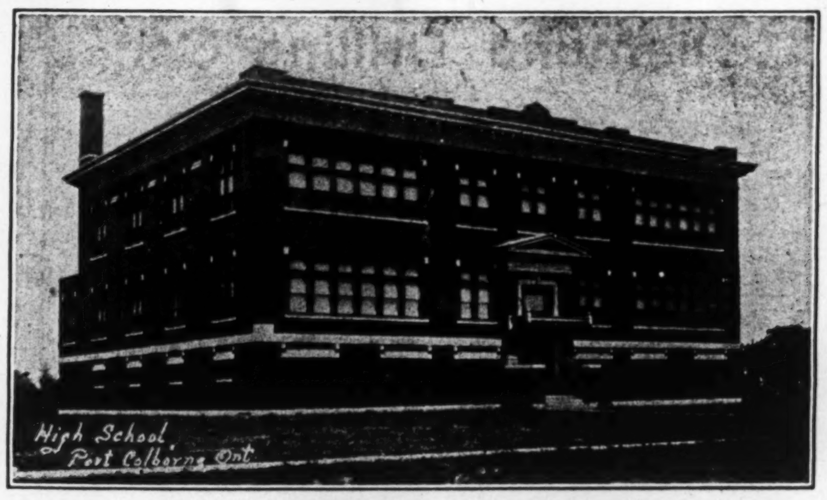
Port Colborne is unusually well served by railways. Two branches of the Canadian National Railway reach it, as well as the Canadian National electric road, the Niagara, St. Catharines and Toronto Railway, also the Toronto, Hamilton and Buffalo Railway, through which direct connections are made with the Canadian Pacific, Pere Marquette, Wabash & Michigan Central.

The Industrial Committee of the Town Council, of which Mayor C. E. Steele is chairman, are offering every inducement and assistance to industries looking for satisfactory plant sites. A number of excellent sites are offering, some of these have rail or water facilities, while some combine both. These sites can be secured at very moderate rates.

Port Colborne as a Tourist Section

THE section about Port Colborne is one of the most beautiful in the Niagara district, long noted for its beauty. The lake shore west from the Niagara River, that takes in all the sections at and around Port Colborne, has one of the finest beaches to be found anywhere in Canada. The section is noted for its summer resort facilities. Erie Beach is only 18 miles away and Crystal Beach only 12 miles. Immediately adjoining the town is the Humberstone Club, a private summer resort owned and occupied by families principally from the Southern States. There are as well many individual cottage resorts.

The Provincial Government is making this section still more accessible by the building of a splendid highway. This will cross the Niagara River at Fort Erie where the new Peace Bridge has just been completed, and will continue through Port Colborne connecting with Provincial highways, to Toronto, Hamilton, St. Thomas and Windsor. The Dominion Government is at present constructing a highway between Port Colborne and Welland, paralleling the course of the New Welland Canal, and connecting with highways east and west at Welland.



The High School, Port Colborne
Illustrating the fine type of Public Buildings

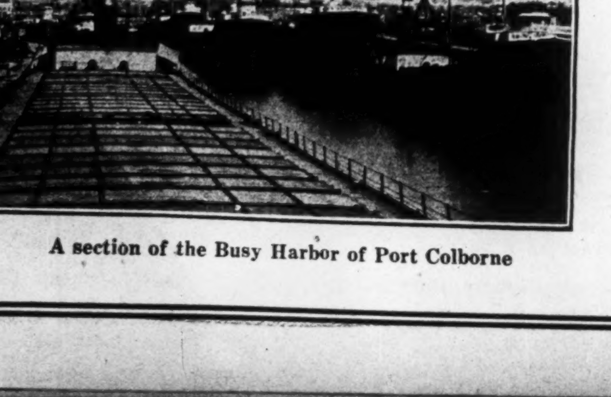
Port Colborne is an Ideal Home Town

WITH the village of Humberstone that adjoins Port Colborne, the town has some 7,500 population. It is noted for having one of the finest school systems in the province for a town of its size. There are three fine public schools, modern in every way, and a new high school. Recently the Government built a new post office at a cost of something over $60,000.

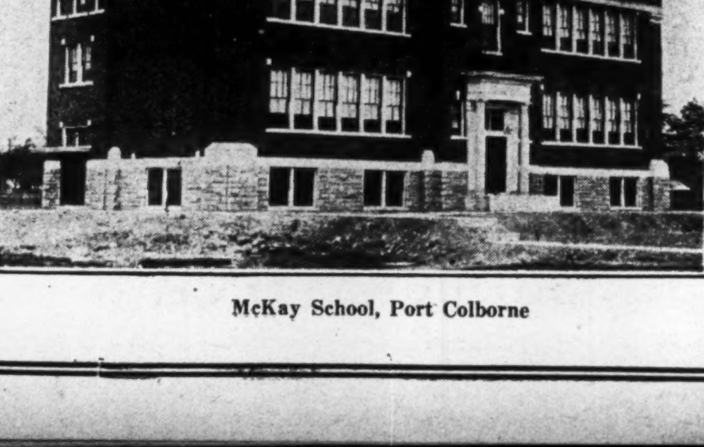
The town has an excellent water system and filtration plant recently installed at a cost of something over $100,000.

The town has a splendid business section, fine homes. It is served by branches of the Imperial Bank and Bank of Commerce.

Port Colborne is the centre of the natural gas field, and an ample supply of gas for cooking and light heating is available at a low cost.



A section of the Busy Harbor of Port Colborne



McKay School, Port Colborne

Maple Leaf Milling Co., Ltd. (left), and
Government Elevator (right).

MOND NICKEL IS WIDENING SCOPE OF ITS OPERATION

Purchased Old Established Birmingham House During Recent Years

GOOD POSITION

Quick Assets Last Year Exceeded Current Liabilities by $7,500,000

Very little is known by Canadians in regard Mond Nickel Co., which is controlled in England, where the bulk of its 15,000 shareholders reside. The company has had a steady uphill climb to reach its present prosperous and intrenched position. Unfortunately copies of its balance sheets are not available, but details of its dividend record make it look attractive. Like most large English companies it has several classes of securities as will be seen from the attached table:

Capital	Authorized £	Issued £
Deb., 5½% mortg. off 1925, at 97% redeemable par, 1957, cum. rad. fund 1½% p.a. from May, 1927. Int. May - Nov. Annual drawings at par or on market. Further £750,000 may be created	1,000,000	1,000,000
Deb. 5% 1st mortg., red. 105, Jan., 1935, or on 6 mos. notice by draw or market pur. or in whole. Int. May-Nov.	375,000	375,000
7% non cum. pref., par £1, fully paid, rank'g 3rd for div. and capital without further participation. Div. Mar. & Aug.	2,000,000	2,000,000
7% cum. "A" pref. £1 fully paid; issued July, 1925, at 225, 6d, ranks 2nd for div. and repay at 22s, 6d. without further participation	1,500,000	1,250,000
7% cum. pref. £1 fully paid, 1st for div. and priority of cap. up to £1. 10s per sh.	500,000	500,000
Ordinary £1 fully paid	900,000	900,000
	6,275,000	6,025,000

Common Dividend Record—

Year	%
1905	6 %
1906	10
1907	12½
1908	15
1909	15
1910	15
1911	16¼
1912	16¼
1913	21¼
1914	35
1915	20
1916	20
1917	20 %
1918	20
1919	17½
1920	17½
1921	5
1922	7½
1923	10
1924	12½
1925	12½
1926	12½
1927*	5

*—March.

Mond Nickel Co., registered 1914, succeeded company of same name, 1900 register. Capital increased 1918, £2,400,000 to £3,400,000; July, 1925, to £4,900,000 (a pref. created). Outstanding 8% mortgage stock holders £1,300,000 (due Nov. 1., 1941) offered 1925. £100 new 5½% mortgage and £9 cash or 90 7% cum. A pref. plus £4, 15s. cash for each £100. 8% converted £837,246, redeemed at 104%, Jan. 2, 1926; £462,754. Reserve £160,000; bal. fwd. £48,212 after writing off £56,992 capital issue expense.

A good idea of the gradual widening sphere of its operations is to be had from the report of the 12th annual general meeting held July 2, 1926, in London. It reads:

The Right Hon. Sir Alfred Mond, Bt. M.P., the chairman, said that the profit and loss account showed an increase in net profits of £112,000. He thought that in view of the conditions of trade generally they could congratulate themselves on that very substantial increase in their profits. It was accounted for by an increase in the gross profits of £85,100, a decrease in the debenture interest of £26,400, and a net decrease in general charges and corporation profits tax of £1,500. The reduction in debenture interest was due to the reorganization of capital effected during the year, whereby they had redeemed the 8 per cent. and created a 5½ per cent. stock.

With regard to associated companies, Henry Wiggin & Co., Limited, of Birmingham, had had a very satisfactory year in spite of trade depression. The finances of the American Nickel Corporation had been reorganized during the year, and they had been busily employed extending and reconstructing the plant. As to their general policy with regard to subsidiary companies, they had an interest in extending the use of articles manufactured of nickel and especially of the large range of nickel-copper and nickel-chrome alloys which were beginning to play a very important part in the metallurgy of the world. They thus had the advantage of the fact that by their own efforts, research and propaganda they were able to extend the sales of their own raw material, nickel. That had been their main motive during a period of great depression in the nickel industry in going in for developments which they were all convinced would grow in importance from year to year.

It would be noted with satisfaction that their quick assets in the shape of stock, debentures, and cash, exceeded their current liabilities by no less an amount than £1,500,000—a most satisfactory position for our company like theirs which had to carry large stocks of raw materials and finished goods.

The additions amounting to £81,800 to properties in the United Kingdom were chiefly due to expenditure at the Clydach Works, and on the new precious metals refinery in London, which was operating very satisfactorily with good results as regarded both economy in costs and efficiency in the important branch of the operations, the recovery of the platinum group from their residues. They had succeeded during the year in obtaining a contract for refining Onverwacht platinum, which was also turning out quite satisfactory, and they were open to undertake similar work for others.

Their employees' participation scheme, which had been working for just over a year, was, as far as he was aware, unique in character. It was not a profit-sharing scheme in the ordinary sense, although it had the effect of increasing the profits of the company and of sharing any increased profits between the employees and the company. The object of the scheme was to promote the personal interests of all employees in effecting savings in production costs. It would be realized how substantial the closer and more careful attention to their work, avoiding waste of time and material and suggesting improvements in the process or in the plant. The scheme provided that savings in costs were divided between the company and the employees, according to a scale by which the whole of the savings up to a certain amount was given to the men.

The report and accounts were unanimously adopted.

Took 12 Teams to Haul Cable Needed to Drill Oil Well

"Twelve teams were used by the Spooner company to move the cable from Black Diamond to the well site last week."

The above item from the Calgary Oil Examiner gives some idea of the equipment being used in drilling oil wells in Turner Valley field, south of Calgary. Black Diamond is the railway point, a few miles from the centre of drilling. Spooner oils has a well down 3,250-ft. and the new cable is for Spooner well No. 2. C. E. Snyder in charge of drilling brought in Royalite No. 4, and Vulcan.

SUDBURY DISTRICT IS GOOD PLACE IF ONE WISHES TO PLAY

Abounds in Land and Water Beauty Spots — Has Many Advantages

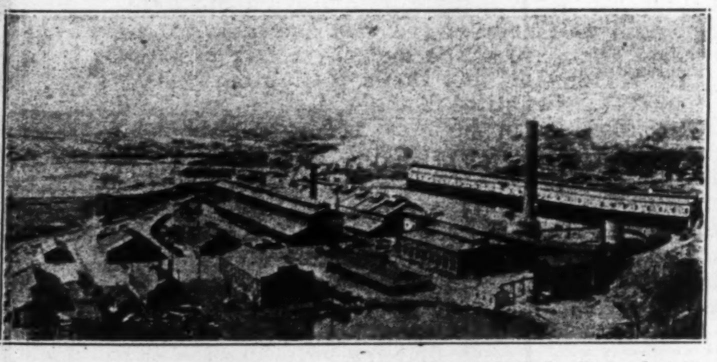
Sudbury is a great spot if one wishes to play. The district possesses all the natural advantages to make it attractive. The city proper has many natural beauty spots, including two excellent golf clubs, while Ramsey Lake on the southern border, and reached by street cars in a few minutes from the centre of the city, provides a haven for numerous fine summer homes. Perhaps no more ideal spot could be found than the towering island cliff on which rests the summer home of Hon. Chas. McCrea, Ontario's minister of mines and member of the legislature for Sudbury.

More than that, the lake provides the town's water supply and just recently it was declared a closed game sanctuary. This will protect the wild life of the section and make it even more attractive. The same lake is also made attractive by the fact that the Ontario government air service, engaged in forestry protective work, uses it as a base.

The roads leading to the city are in keeping with the good highways of old Ontario. These lead to the important centres in the neighborhood. There is a splendid highway from Sault Ste. Marie, passing through a very picturesque country, and this is proving quite attractive for a large number of tourists. In addition there is a heavy traffic up the lakes. Manitoulin Island Ports, especially Little Current, have developed in recent years to be very important centres. Sudbury is also accessible from Toronto over an excellent motor road, and hundreds take the drive during the summer.

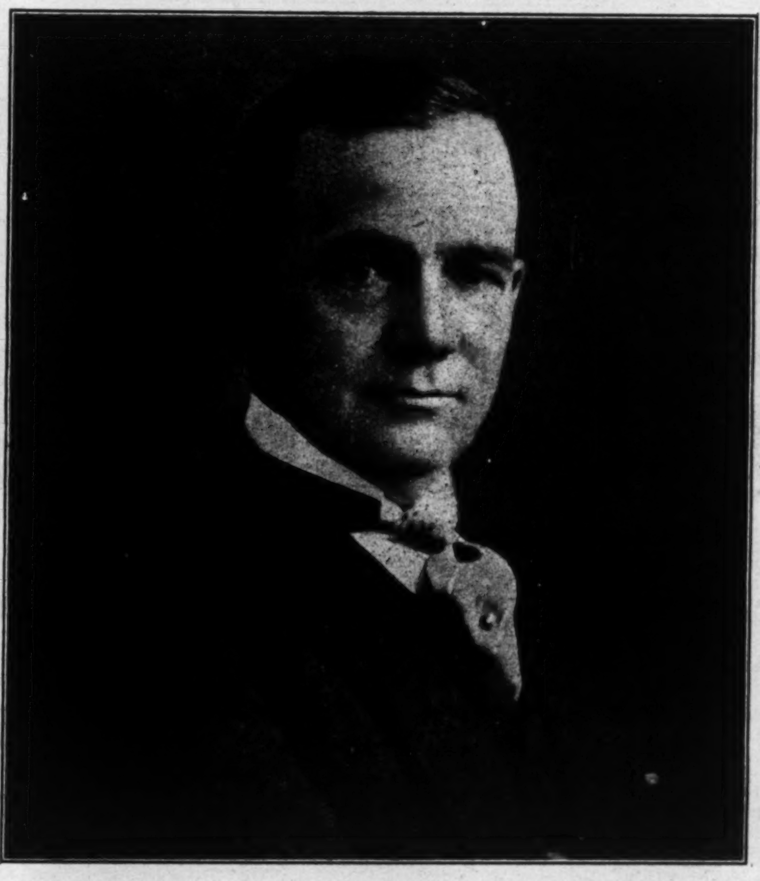
There is plenty of fishing throughout the district, while the wild game life in the fall is quite abundant in season. This makes it very attractive for hunters.

Produces 60% of World's Nickel



General view of International Nickel's big smelter at Copper Cliff. It will soon have an electrolytic copper plant to keep it company.

Predicts Big Things for Sudbury



Hon. Chas. McCrea, Ontario's Minister of Mines, who, in a very informative article on page 17 of this issue, deals with the future possibilities of the Nickel-Copper and the lead-zinc-copper Mines of the Sudbury District.

Ontario's Minister of Mines Pictures Very Bright Outlook

(Continued from page 17)

statement by R. C. Stanley, president of the company, is of special interest:

"Results from recent diamond drilling at the Frood mine indicate high-grade copper ore at depths below 2,000 feet. The nickel content of this ore is relatively low and the tonnage is sufficient to justify the company operating this section of its Frood mine as a copper deposit. Owing to the depth of the ore it will take between three and four years to bring this mine into production for either copper or nickel. In this connection the company proposes to erect its own electrolytic copper refinery at Copper Cliff and, when the Frood mine is in operation, will produce all its copper in the form of electrolytic copper rather than in blister copper, as is now being done."

A World Leader

It is believed that the Frood mine contains at least 100 million tons of ore, and it may be justly regarded as one of the most valuable mines in the world. In addition to the copper and nickel contents, the new ore deposit carries a high percentage of metals of the platinum group, as well as gold and silver.

The discovery of a new deposit of lead-copper-zinc ore, to which I have referred, was made in the townships of Balfour and Creighton in the Sudbury basin. Some traces of zinc had been found twenty-five years ago, but no systematic or sustained exploration had been carried on until the Bunker Hill and Sullivan interests entered the field two years ago, operating under the name of the Yukon-Treadwell Company.

Others Enter Field

As a result of the activities of this concern other companies and individuals have taken up practically all the available crown lands in the area in which the deposits appear. The formations are sandstone, slates and tuff, of pre-Cambrian age, and they lie in a basin surrounded by the rugged hills of the outer rim in which are found the huge lenses of nickel-copper ore. There appears to be no doubt in the minds of those concerned in this new enterprise that the discovery has opened up great possibilities for the future, and that it means the establishment of a new industry in the Sudbury district.

Zinc-Lead Smelter

Vigorous developments are already being carried on by the Bunker Hill and Sullivan Company, whose program includes the erection of a smelter and refinery, requiring for its operation about 50,000 electric horse power, which it is expected will be developed from waterfalls situated within one hundred miles of the works. This smelter should prove of immense value to the operators of the district and to the north country generally, as it is expected that it will treat custom ores in addition to the product of the company's own mines.

Salving Sulphur

Yet another new departure in the mineral industry of Sudbury district is the introduction of a new process for the salving of waste sulphur gases from the nickel-copper smelting plants. It is estimated that these smelters discharge into the air daily 500 tons of sulphur, or the equivalent of 1,500 tons of sulphuric acid. The utilization of a small part of this sulphur in the form of sulphuric acid by the Mond Nickel Company at the Coniston plant was the first attempt to save this waste product, and an important new industry is now established which should ensure an ample supply of this sulphuric acid for the Canadian consumer at a price below that charged in the United States.

Great as is the past of Sudbury, it will be seen from the foregoing review of recent developments that the miners of the district are reaching forward to still greater achievements for the future. Apart from these new developments there is still ample room for expansion and enterprise in the nickel industry itself. This industry has long ago recovered from the decline in consumption which followed the close of the war, and the subsequent slump caused by the scrapping of warships by the International Disarmament Conference at Washington.

Above Pre-War Production

Throughout this landslide the nickel companies of Sudbury kept their heads and preserved a good heart. After all, they had the goods and could wait until they were called for. Meanwhile they began to explore new markets. By means of scientific experimentation new outlets for nickel were discovered, until at the present time there are numerous metallic and chemical nickel products on the market. With this winder distribution of refined nickel and its application to the arts of peace, the market has been enlarged, and the output to-day is 40 per cent. in excess of that of the highest pre-war production.

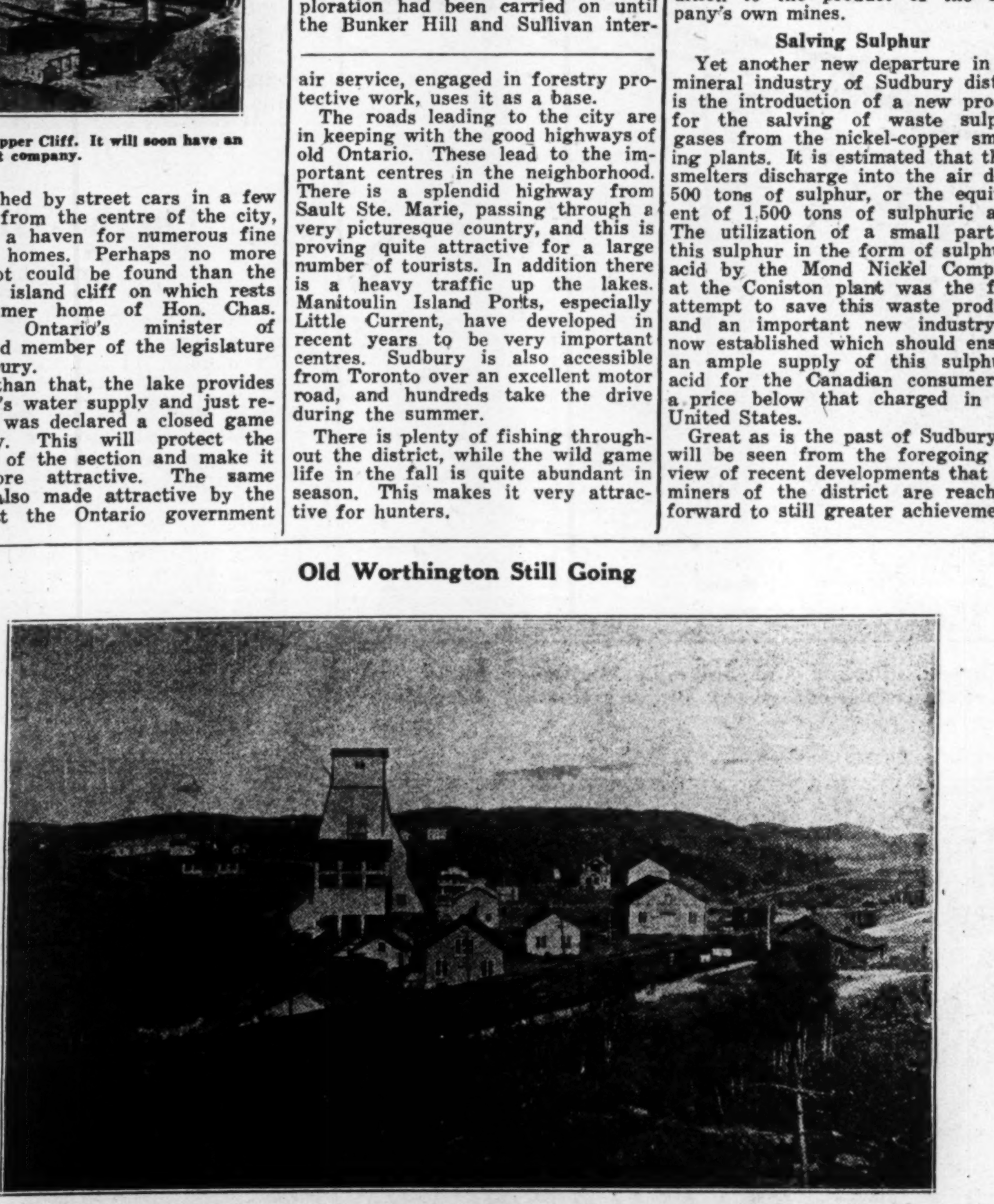
90 Per Cent. of World's Demand

Sudbury stands pre-eminent as a source of nickel, supplying 90 per cent. of the world's demand, the remaining 10 per cent. being supplied by the French Island of New Caledonia in the Southern Pacific Ocean.

In 1926 the production from the Sudbury mines, in terms of metallic nickel, amounted to nearly 66 million pounds.

With all these facts in view I feel justified in declaring that the future of Sudbury is bright with promise, a promise that is not merely speculative, but which is based upon actual knowledge and possession.

Old Worthington Still Going



One of the first big mines of the Sudbury district, Worthington mine, is looking particularly well at the moment—a new deep level has opened out surprisingly.

JAMES W. SEWALL
Consulting Forester,
OLD TOWN, MAINE.

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AMULET
DUPRAT
NORANDA
TECK-HUGHES
KIRKLAND LAKE
BARRY-HOLLINGER

THE technical position of the above named stocks, together with news of latest mine developments, reviewed at length in this week's "Market Despatch."

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Crawley & McCracken have been privileged to play an important part in the development of Northern Ontario. This organization of camp caterers has had an office and warehouse in Sudbury since 1914. In the Sudbury district alone it is now feeding 4,000 men in 100 camps. It caters for the International Nickel Co., the Mond Nickel Co., and in addition the Canadian Pacific, Canadian National and A. E. Railways.

Our service is to take entire charge of feeding your men — supply everything — attend to everything—arrange daily menus — provide all utensils — install competent cooks and helpers — bring up supplies — give your men well-cooked, nourishing, satisfying meals — and relieve your superintendent of every particle of the commissary work.

Let us tell you more about this service.

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84 St. Antoine St. - MONTREAL

SUDBURY

The Centre of what Promises to be the Continent's Greatest Mining Camp. A Splendid Industrial Town Offering Every Advantage

SUDBURY lies at the centre of one of the vastest and most potentially wealthy sections served by any town. The present census figures show it to have something under 10,000 population, but these figures far from represent the actual position of the town. The nearest city of any considerable size is North Bay, 82 miles away to the east, or Sault Ste. Marie, over 200 miles to the west. In all that intervening territory Sudbury holds a dominating position. It is peculiarly situated in that about it are a number of smaller places, company towns, grouped about one of the great mines, that are not and do not wish to be entirely self sustaining. These places look to Sudbury as their natural centre. Because of that, Sudbury has more places of business, and more business is done than in any other place in Ontario of, say, 75,000 inhabitants. Because of this fact, Sudbury is amply supplied with up-to-date stores. It is known as a Saturday Night town, the C.P.R. running weekly excursions that bring people in from 100 miles distance.

Sudbury is known as a city of homes and of home comforts. Upwards of eighty per cent. of its people own their own homes and take pride in them, and seventy per cent. of the homes and business blocks are built of stone or brick or other fireproof material.

A splendid system of busses, giving an hourly service, connect Sudbury with adjoining towns such as Copper Cliff, Creighton, Coniston, Garson, Chelmsford, and Frood Mine. Because of this service, it is possible for people to work in these sections and live in Sudbury, for these busses run every day in the year, the townships and towns interested combining to keep the roads open.

Some Detailed Facts About Sudbury

Sudbury is served by three railways, the Canadian National and Canadian Pacific, that give it a direct, through-line connection with the centres both east and west, and the Algoma Eastern Railway that provides a deepwater outlet at Little Current.

The city is modern in every respect. It has eight miles of paved streets, twelve miles of concrete walks. It has the best water in the north country, with twenty miles of mains distributing it for household use and fire protection. It has an ample and modern sewerage system with twenty miles of sewers.

The waterworks plant on Ramsay Lake provides 6,000,000 gallons per day at a pressure of 75 to 100 pounds, which provides splendid fire protection when coupled with the splendid modern fire fighting equipment. The town has also a police force of nine men.

The town operates its own electric light and water plants. The power is produced by the Wanapitei Power Company, and for the past five years the revenue from this source has shown an increase of between ten and twelve thousand. The 1926 figures showed receipts from electric service of $125,460 and water works $42,100. The bonded indebtedness is relatively light, being $995,923, of which $320,000 was for local improvements.

Sudbury has splendid school facilities, having 12 schools in all, including a high school and an important mining and technical school.

A splendidly equipped hospital conducted by the Grey Nuns of the Cross, with accommodation for 150 patients, serves the whole section.

Seven banks have branches here, and the stores and wholesale houses are unequalled in the north country.

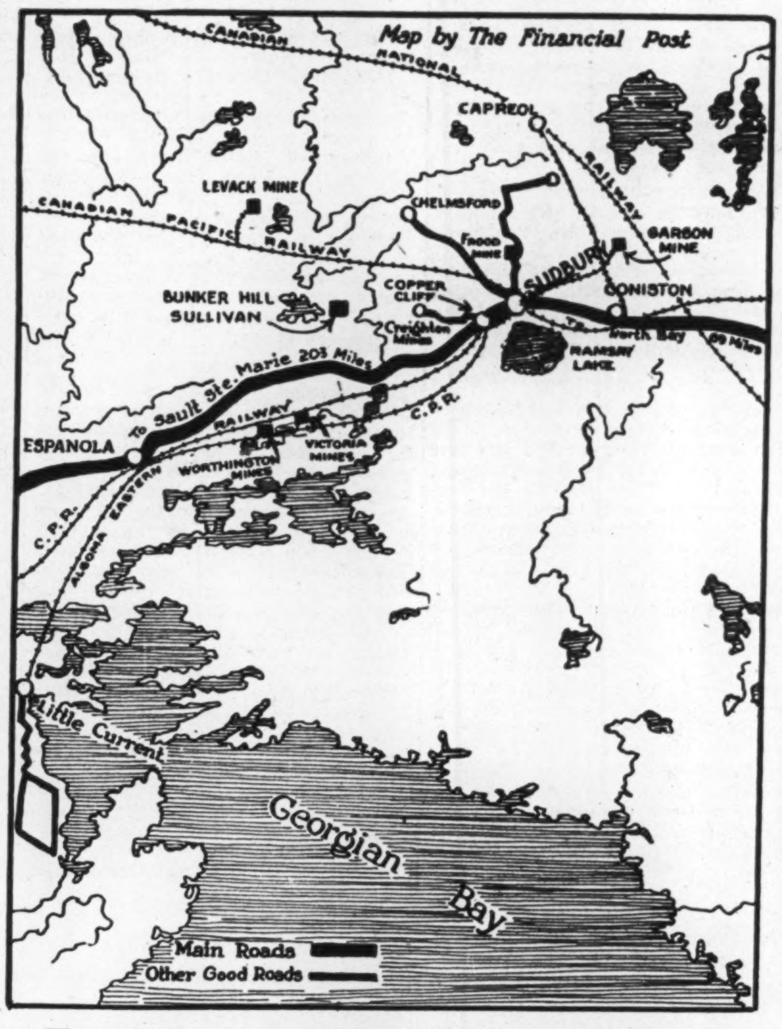
Ramsay Lake
Sudbury, Ont.

A Glimpse of Beautiful Ramsay Lake, Part of Whose Shores Lie Within the Corporate Limits of Sudbury

Sudbury is Readily Reached

Sudbury can be reached by direct Pullman connection over the C.N.R. or C.P.R. main lines, or by boat either Owen Sound or Sault Ste. Marie to Little Current and thence by a delightful trip over the Algoma Eastern Railway. It is readily reached from North Bay or the Soo, by the Provincial Highway. The following are the distances from some of the principal points:

Montreal	439 miles	Ottawa	328 miles
Toronto	259 miles	North Bay	82 miles
Sault Ste. Marie	203 miles	Sturgeon Falls	59 miles
Buffalo	359 miles	Detroit	488 miles



Three Railroads and Splendid Highways Make the Beautiful Sections About Sudbury Readily Accessible

Consider this Great Section In Your Summer Plans

This great section is rapidly gaining a central place in the world's attention. New discoveries of base and precious metals are promising a future of fabulous possibilities. Think of this in considering your summer plans, for not only can you visit this section and see for yourself its marvellous possibilities, but you can combine with this one of the most delightful outings that you have ever had.

Sudbury is on the Soo-Toronto, Soo-Ottawa highway, where nature is to be seen in all her unspoiled beauty. There are magnificent stands of virgin timber, endless lakes and rivers, majestic water falls, a glorious climate, and all to be reached by splendid motor roads, built by the province of Ontario. Other roads reach out into side trips, where the tourist may spend a day or a week, or months and never grow tired of his surroundings.

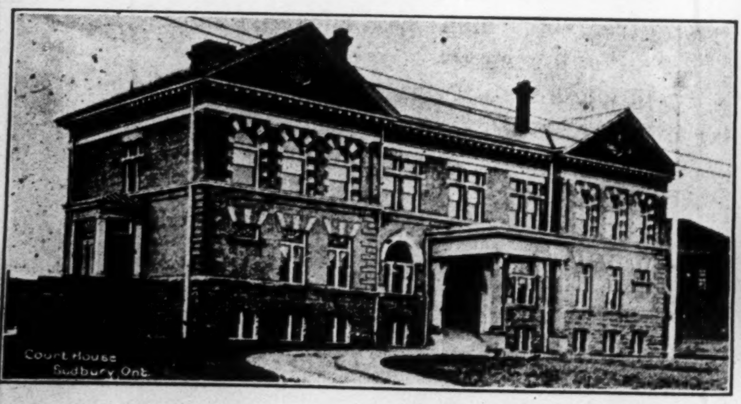
In the immediate nighborhood of Sudbury there are many organized tourist resorts. Ramsay Lake, 6 miles long and half a mile wide, is partially within the town boundaries and can be reached by street car. Summer cottages are available here, or if the visitor wants a private lake, one might almost say, he can go out and find one. Indeed, almost everywhere in the vicinity are splendid summer locations, where fishing, hunting and camping are at their best. Many of these can be reached by motor roads, so that the camper can enjoy the advantages that Sudbury has to offer. Its delightful parks, Bell park on beautiful Ramsay Lake, and Memorial Park and Athletic Park, dedicated to the memory of Sudbury's soldiers killed in the Great War. Last year some $20,000 was spent in improving this park.

Splendid golf courses are also available to the visitor, set among romantic and novel surroundings. The Idle Wylde Golf and Country Club on Ramsay Lake offers a beautiful 9 hole course that will challenge anything in the beauty of its scenery. The Sudbury Golf and Country Club on Garson Road also is a splendid 9 hole course that anyone will enjoy.

Sudbury is only an over night trip from Toronto, Montreal or Ottawa by either Canadian National or Canadian Pacific Railways. If you are planning an unusual summer outing, it would repay you to take this trip and see this wonderful country. In or about Sudbury you are sure to find the very location that will most appeal to you.

On the Threshold of a Great Future

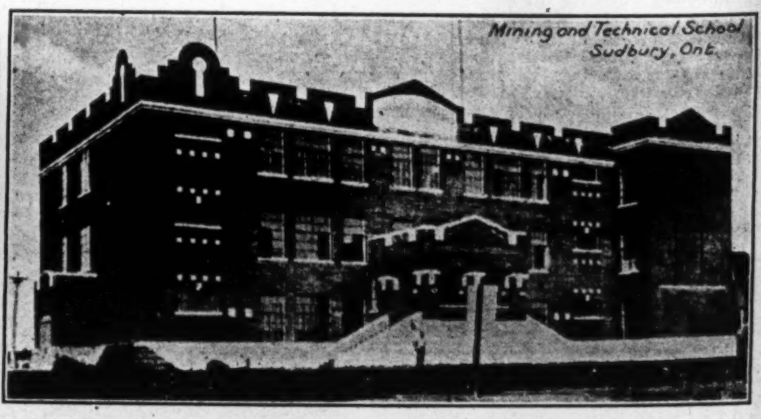
Sudbury is undoubtedly due to be the premier mining camp in Canada and one of the greatest in the world. Already it provides 90 per cent. of the world's supply of nickel, while recent developments go to prove that it will hold as well a dominant position in the copper and lead and zinc markets. Disinterested parties who know this section and its potentialities look to see its population doubled and quadrupled in the course of the next three or four years. It will be of interest and profit to you to come and see for yourself these great mines, the great paper industry, and the widespread loveliness that is making this section a Mecca for artists. In Sudbury you will find a modern town with splendid hotel accommodation, with good garages, banking facilities, opportunities for sport and diversion. A visit to this section will repay you many fold.



The Court House, Sudbury

Sudbury, Ont.

Durham Street, Sudbury



The Mining and Technical School

Forty Years Ago Sudbury Nickel Copper Area Had First Boom; It Died Quick

Canada Copper Only One of First Companies Able to Survive

DIFFICULTIES MANY

Lack of Capital and Experience and Lack of Refining Method the Chief Cause

It is just forty years ago that the Sudbury nickel copper area underwent its first real mining boom. Details of this are related in the report of the Ontario Nickel Commission and the facts were gathered for that publication from the report of the Royal Commission on the mineral resources of Ontario, published in 1890. At that time there was great activity in the Sudbury district. Mining in earnest had commenced in 1886 and there were three substantial companies then in operation, Canada Copper Co, now International Nickel, at Copper Cliff, Dominion Mineral Co., at Blezard, and Worthington Mine and the metallurgical firm of H. H. Vivian & Co. of Swansea, at the Murray Mine, which later passed into the hands of the British American Nickel Co., and has since been purchased by the International Nickel Co. Two furnaces were in operation at Copper Cliff and the other two companies were erecting similar furnaces.

It was just about this time that the countries of the world were interested in testing out nickel steel for armament purposes and about 1889 the Annapolis Navy Yard made tests which resulted in the United States government adopting nickel steel for armour.

This resulted in an appropriation by Congress of $1,000,000 to purchase Sudbury nickel for that purpose, and not only provided very material market, but also advertised the Sudbury deposits throughout the world.

But as time went on only one, Canada Copper Co., of the three survived. The withdrawal of the Vivian Co., after a loss of $375,000, was a severe blow to the Canadian industry. Dominion Mineral Co., which was a purely Canadian operation, stopped mining in 1893, and closed its smelter soon after. Thus the new nickel industry was in difficulty.

There were two main difficulties. One was to secure an economical treatment of the troublesome ore and the other was the limited demand for nickel, aggravated by a trade prejudice in favor of the new Caledonia product which controlled the market. In 1900, ten years later, it was found that the new Caledonia product had 65% of the world's market and the Canadian ores only 35%. One of the great difficulties to overcome was that the specifications of the British government all specified new Caledonia nickel in the manufacture of armament, but though there were strongly entrenched interests supporting the new Caledonia product, the Canadian output gradually won its position in the world's market and the Nickel Commission report in 1917 stated that Ontario then produced 80% of the whole. During the interval the production of Ontario had increased ninefold in quantity, while new Caledonia only one-sixth. The report stated that the chief factor that has enabled Sudbury to outdistance its only serious rival is the great difference in the size of the ore bodies in the two countries. The Ontario deposits are measured in millions of tons; the deposits of new Caledonia in hundreds of thousands of tons at the highest.

An interesting sidelight on the cause of the failure of so many operations in the Sudbury district was given by Dr. Coleman in his report when he stated that most of the companies which have failed did so because of lack of capital, or of experience, or because they had no well worked out method of refining the matte. This might be taken to indicate that the Mond backdoor method of entering, finding the process first, and the ore second, had something to recommend it after all. Reports by Dr. Barlow made in 1904 said that very early in the history of the region it was patent to everyone that to share in the full benefit of the industry, the same individuals or company must control the whole of the operation necessary to manufacture the finished product. The Nickel Commission report goes on to state that the early history of the nickel industry is a record of continuous struggle against difficulties which centred about the two questions of economical treatment and the limited market.

Large ore supplies, the remarkable expansion of the nickel steel trade, new markets, new uses for nickel, and the business ability and technical skill of the executives and operating staffs have been the chief factors in the great success in later years of the two companies which have been able to overcome them.

MILLCREST SILVER WILL SOON REOPEN

Company Holds Two Excellent Groups in Gowganda Section

Millcrest Silver, a promising group in the heart of the Gowganda producing area is reopening. New finances have been secured. The shaft which was sunk to a depth of 150 feet during former operations will be carried down another 200 feet, where it is believed a better horizon for ore development will be found. William Fairburn, who is one of the principals of the company, is north now making preparations for a resumption of work. The claims on which shaft-sinking is to be resumed are those adjoining the Capitol Silver Mines on the north. Considerable lateral work was done on the 100-foot level. A very strong vein in a break about three feet in width was drifted on for some distance. This vein shows heavy cobalt and encouraging silver values. In addition to the underground work, quite a lot of surface exploration was carried out during last summer's operations. This work revealed a number of other veins under favorable geological conditions, which are to be further tested when the new working horizon is reached. The property is equipped with a small gasoline plant, and little new equipment will be required to carry the work to the 350-foot level.

Besides the claims north of the Capitol, the Millcrest Company own two claims on Gowganda road adjoining the Canadian Tonopah Mines. These are to be diamond drilled from surface during the coming summer, in the hope of locating ore bodies of commercial importance in this favorable section of the Miller Lake-O'Brien area of the Gowganda field.

Imperial Reopens Branch in Red Lake Mine Area

From Our Own Correspondent.

Gold Pines, formerly Pine Ridge, in the Red Lake District, has now been reopened with K. N. Allan, formerly of Winnipeg staff, in charge as acting manager.

G. C. Foster has now been appointed chief accountant, vice Mr. W. H. Greacen, who is at present absent on sick leave.

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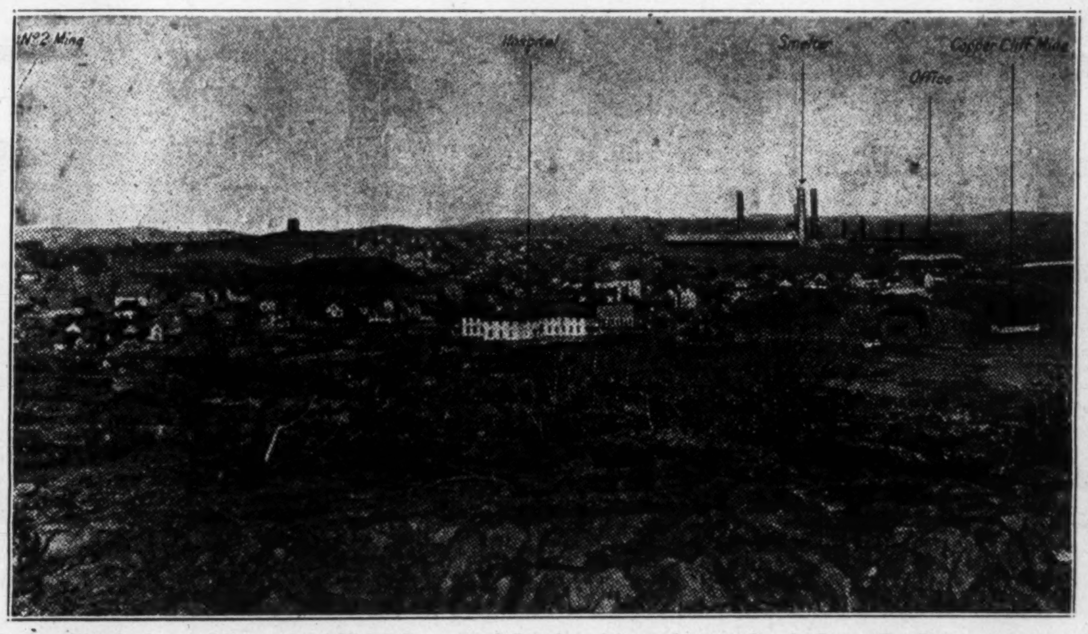

Copper Cliff, the home of International Nickel Company of Canada and its predecessor, Canada Copper Co. It is an incorporated town, owned by the company, but managed by a regularly elected council. It is attractively laid out, has substantial homes and beauty spots. Copper Cliff Club is one of the show places of the North. A remarkably well-equipped hospital, excellent schools and playgrounds are provided.

NICKEL TURNS COLD SHOULDER TO NEW CALEDONIA MINES

Operations That Once Dominated World Are Now in Discard

International Nickel has sold its nickel mine in New Caledonia. In making the announcement in the annual report, Pres. R. Stanley said that the decision was made because the directors deemed it undesirable to continue further the maintenance charges of these small tonnages of relatively inaccessible ore, in view of the large ore reserves recently developed at the Frood mine.

It seems to be rather hard on this little colony in the South Seas that in 1900, two years before International Nickel was organized it supplied 65 percent of the world's nickel ores and Canada the balance. Now it is found that Nickel discards the New Caledonia mines altogether. In the meantime the Canadian operations have risen from 35 per cent. to supplying 85 percent of the world's nickel. When Nickel was organized to take over the assets of Canada Copper, it also took over the whole of the stock of Societe Miniere Caledonienne, a New Caledonia Co. and 140,906 shares of another New Caledonia concern. The ores of this French penal colony are in small bodies and there is a great deal of low grade. The last estimate available on reserves stated that they were about equal to four years' production at Sudbury.

Nickel's 1926 report contains an item, Less Foreign companies disposed of, $446,353.66 which is taken to indicate the net return to Nickel from the sale of its New Caledonia holdings.

Old Kootenay Venture Coming Back Strong

NELSON.—After being dormant for twenty years or more, the Early Day gold camp at Ginols Landing, on Kootenay Lake, is showing steady development activity as the result of initiative of Trail citizens. The Associated Mining & Milling Company of Trail is actively developing and tracing gold-bearing leads in twenty-seven claims it has staked, while the United Lode is preparing to develop actively on some of its twenty-six claims, comprised in several groups.

These stakings, which start at the water's edge and go back up the mountain are chiefly on Ginol Mountain, between Ginol and Sanca.

The chief development is on the Valparaiso vein, from which high-grade ore was shipped in early days, and which new work is said to have traced for three miles and proven internally at various points. W. Frampton, engineer and manager of the Associated, asserts a huge tonnage of ore is blocked out.

The Associated is operating a crew of ten men, is installing air drills and has located a mill site.

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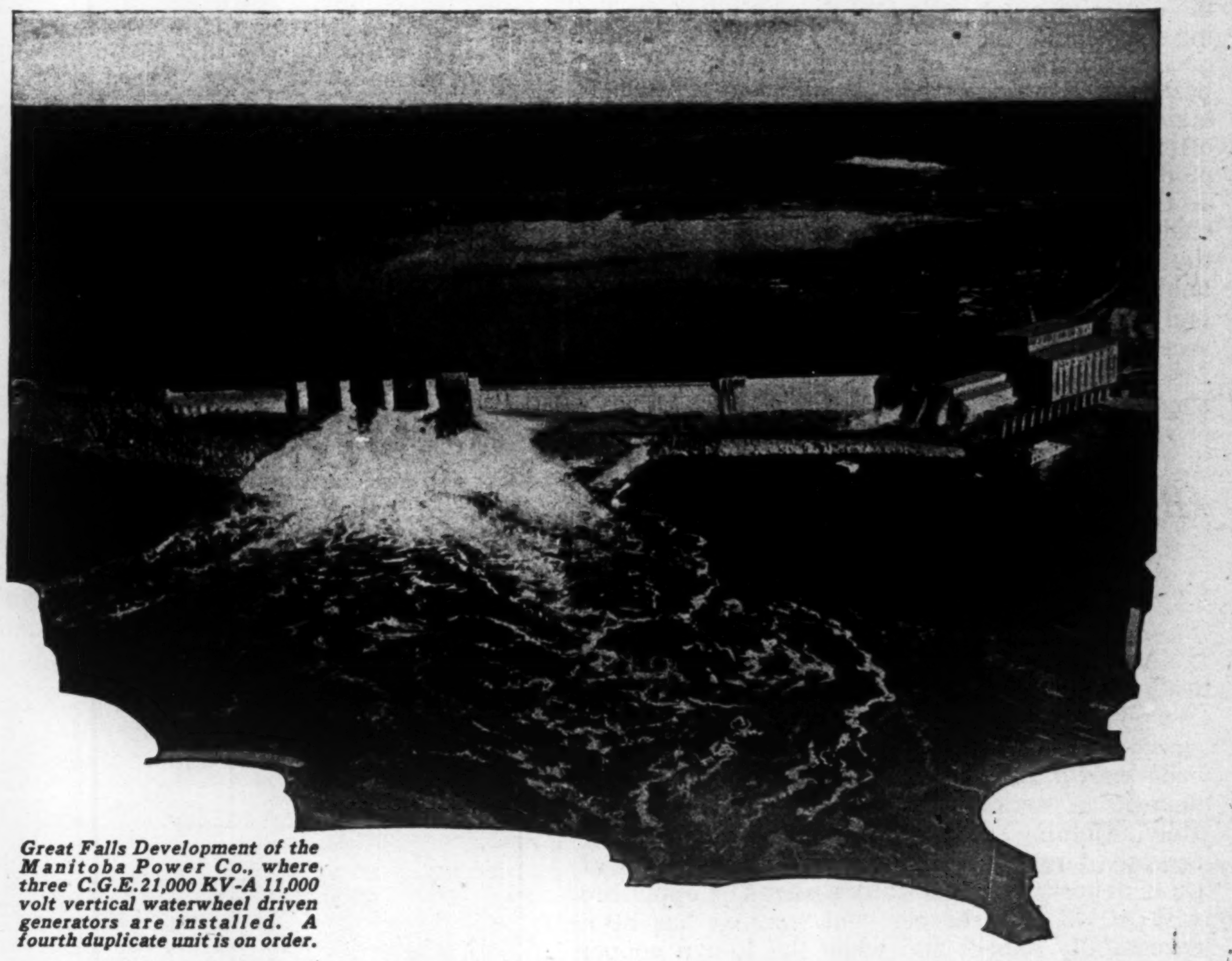

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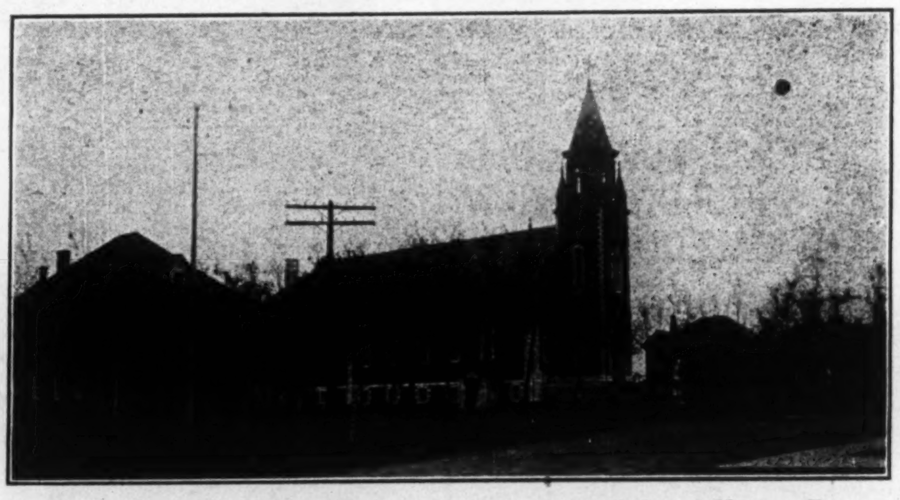
CHELMSFORD

Promises to be the Centre of Canada's Greatest Copper - Lead - Zinc Mining Camp

A Section that May Rival Established Mining Enterprises



One of the Streets in Chelmsford, Showing the Priests' House, Roman Catholic Church, Sisters' Home and Separate School.

Early Indications Supported by Survey Work Give Golden Promise

A Productive and Prosperous Farming Section

CHELMSFORD was first settled because of the splendid agricultural land surrounding the town site, and with no particular thought of any mineral development. There is indeed enough advantage offered in the splendid surrounding country to justify this. The town is the centre of a flat basin that gives a quick growing season and conditions varied enough to permit of a wide diversity of farm activities. On the basis of this productive surrounding land, owned mainly by French-Canadian farmers, who have so often proven themselves as the most successful pioneers in the North, Chelmsford has grown up as the natural centre for the district that would challenge many of the older farming sections of the country, with its well cleared and improved land, its attractive homes, modern farm buildings and fine equipment. It is only of comparatively recent days that the people in and about Chelmsford have realized that they have been actually standing at the doorway of a treasure house.

High Percentage Ore Gives this Camp a Confident Promise of Success

As mining is the natural field of this great section of Ontario, it is natural that Chelmsford, as well as other places, should consider the mining possibilities of their section. For some time it has been known that there were evidences of mineral deposits of some extent in the territory immediately adjoining the town. It is only comparatively recently, however, that the marvellous richness of these deposits has been fully realized. Copper ore with a two or three per cent. content has been successfully mined, and when the Rouyn copper discoveries showed up to six and seven per cent. it looked like a bonanza, but now comes the section immediately surrounding Chelmsford with ten per cent. ore and with lead and zinc in conjunction. Costs for the extraction of this ore will be relatively the same as for two or three per cent. ore, so that it is obvious how rich a return is implied.

The mineralized areas of lead, copper and zinc lie under the farms on both sides of Chelmsford, and the largest active development is within three miles of the town.

It is impossible at this early date to tell the exact extent of this camp. There is a fairly heavy overburden — the farm lands about Chelmsford — and the rock outcroppings are few, so that extensive exploratory work is, of necessity, somewhat slow, but there is no question of the real value of this discovery, and there is every indication that it will eventually develop into a great camp.

Work already Started on Several Claims

Already active operations have been commenced in the section close to Chelmsford. The Bunker Hill-Sullivan group, through its subsidiary the Yukon Treadwell Company, following the success of their diamond drilling operations, are now developing the indicated ore by underground work.

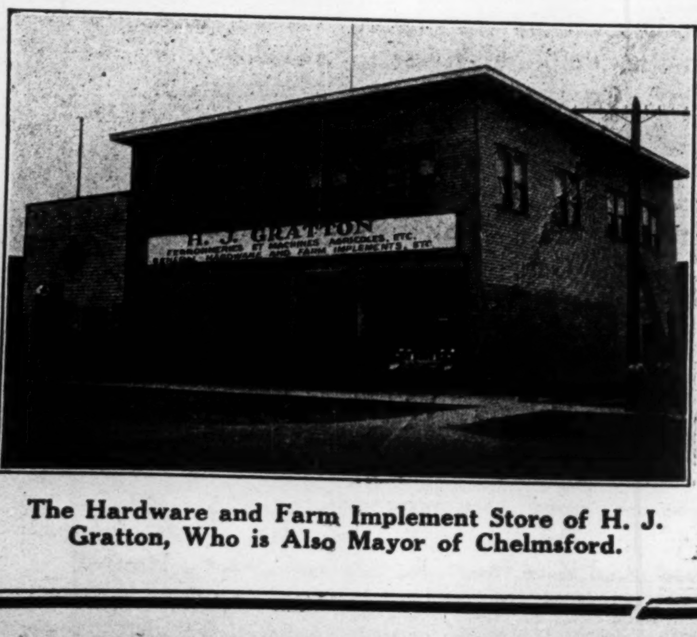
The National Lead Company is carrying on extensive diamond drilling operations in the section. These are the two main interests operating in the section at the present time, though the Dome Mines of Porcupine are also doing some diamond drilling on the properties they have acquired. Electrical surveys have been made on a number of other properties, and diamond drilling will be undertaken shortly. Practically all the available Crown lands in the section have been taken up, and numerous land deals are reported under negotiation. Several of the farmers in the neighborhood of the town have sold their properties at very large figures.

The heavy overburden naturally makes the development slower than would otherwise be the case, but it is quite evident that the Ontario Government is quite confident of the extent and importance of the coming camp, for Hon. Charles McCrae, in the arrangements made with the Bunker Hill-Sullivan people, stipulated that the smelter and refinery they are erecting should be sufficiently large to take care of the custom ores from other properties whose development is in too early a stage to permit of such equipment.

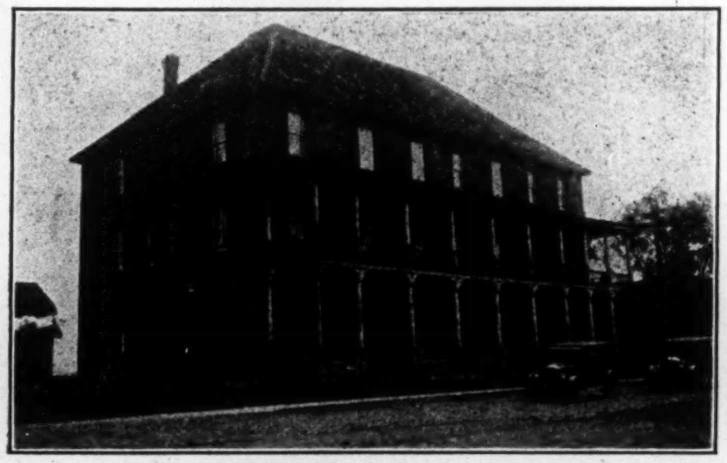
A Prosperous and Growing Town

In this factor the prosperity of Chelmsford is assured, for it makes it evident that the full mining operations will be concentrated in this section, and the Bunker Hill-Sullivan development itself is of sufficient importance alone to assure a splendid business for Chelmsford. With this and other promising operations under way, electric power and light and other modern conveniences are assured for the town. There is an assured prosperity too, not only in the surrounding lands that may be sold because of their underlying ore possibilities, but in the lands that may grow commodities to meet the needs of these widening activities.

Chelmsford is already a town of attractive homes and comfortably well-to-do people. The section surrounding the town has splendid roads, many of them as good as pavement. The town's roads are in splendid condition, and there are paved walks on the main streets.



The Hardware and Farm Implement Store of H. J. Gratton, Who is Also Mayor of Chelmsford.



The Algoma Hotel, Chelmsford.

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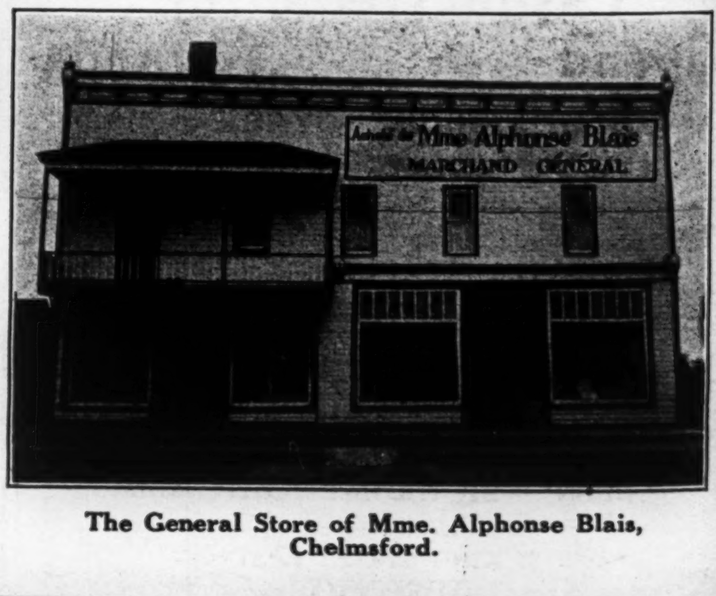
JOS. PAQUETTE,	"
P. LAROCQUE,	"
D. ETHIER,	"
W. VAILLANCOURT,	"
J. A. BASTIEN,	Sec.-Treas.



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Favorable Zone for the Finding of Nickel Ores Has Tremendous Length

Norite Contact is Band Stretching Around the Sudbury Basin

LITTLE EXPLORED

Many Important Discoveries Made, But Possibilities of the Area Are Still Great

It has been frequently said that International Nickel controlled the great bulk of the nickel ore at Sudbury. The writer, on a visit to the camp found that Mond Nickel had not been left out in the cold altogether, having between 30 and 40 years ore reserves. Still, another fact that was impressive, is the great length of the contact zone favorable to the finding of nickel ore bodies. The number of proven mines is large, but the area of the favorable contact that has been explored is small. Besides the writer would judge from facts surrounding the finding of many of the ore bodies, that in a great many instances where unfavorable results have been met with, there are still good chances of finding commercial ore. Levack mine of Mond Nickel is a typical example of this. There are other known holdings that hold considerable promise.

The nickel bearing ore bodies are found along the outer contact of the norite in the adjacent basic rock. Some ore has been found at the contact, but there are notable instances where it is considerably removed. At Crea Hill, Creighton, Levack and Whistle the ore is adjacent to the contact edge, but is in the basic rock, not the norite. A reference to the large map of the area, published in this issue, will illustrate this.

Creighton and Levack

Creighton ore was first discovered at the contact while at the Levack, it averages about 175 ft. from the contact. One can thus appreciate the fact that it was on a fourth drilling of the property that Mond Nickel discovered the ore which makes this mine stand out to-day as having one of the largest ore bodies in Canada.

The finest three drillings of the property were carried on within a reasonable distance of the contact. On each occasion it was turned down. Then Mond found it.

Another Class

There is another class of deposit besides these marginal ones, generally referred to as "offset deposits," and some of the richest deposits namely, Worthington, Copper Cliff and Frood are in this class. These deposits are along extensive well defined lines and cannot be traced into the nickel eruptive, norite. The general direction lines up well with the general layout of the Sudbury basin which is long, somewhat narrow, (again see map) and has a S.-W.-N.E. direction.

Perusal of the Ontario Nickel commission reveals the statement that "the origin of the ores will probably remain a controversial subject for many years." It is not thought that there is anything like unanimity on the subject to-day than there was then. The fact that there are fragments of norite cemented together by pure sulphides, has proven that the sulphites came along after the norite body had solidified.

Very Large Area

As will be seen by the map the norite is an oval body surrounding the Sudbury basin. Inside the basin it will be seen are conglomerate, tufts and slates. It is in the slate that Bunker-Hill, Sullivan has discovered lead-zinc ore and in which other concerns are seeking it.

The so-called South range, or the Southern rim of the area of norite intrusive is just over three miles, while on the north range on which is situated the Levack and Whistle is just under 2 miles wide.

A description of some of the bodies is given briefly:

Crean Hill, one body largely in greenstone, is wholly so to 4th level. Here norite forms a wall and below some ore was found in norite. Second body is 500-ft. west at the greenstone-norite contact. The same with the third body. Ore, handpicked, ran 2.14 per cent. nickel and 2.91 per cent. copper.

Creighton ore body is the largest nickel body in the world. Its reserves are still very great. It is over 1,000-ft. long and 180-ft. wide on surface, but narrowed at depth for a distance to about 50 ft. only to widen again to 130-ft. and wider. The ore occurs at the norite-granite contact, but in the granite.

Hand-picked ore runs 4.44 per cent. nickel, 1.56 per cent. copper. No. 2 Coppercliff, orebody occured in a gabbio dyke. The mine is about through.

Precious Metals High

Vermillion deposit proved high in precious metals, and these made the body commercial. The shoots were small, and found in greenstone, quartzite and norite.

Garson mine has been one of the principal sources of Mond Nickel ore. It is quite complex and carried down around 2,000-ft. There are 3 bodies and is marginal, occurring at the norite contact. The length of the main body is 1,000-ft. and the width is up to 100-ft. The ore runs 2.3 per cent. nickel and 1.9 per cent. copper.

Levack ore body is really five acres of solid ore, almost square, and is found wholly in the kranite-gneiss. The ore assays 2.8 per cent. nickel and .5 per cent. copper. It is high in silica after hand-picking.

Held Depth Record

Victoria mine, the original property of Mond nickel, for a long time held a record for being the deepest worked property in Ontario, near 3,000-ft. The ore ran from 1.5 per cent. to 4 per cent. nickel and 2 per cent. to 2.5 per cent. copper.

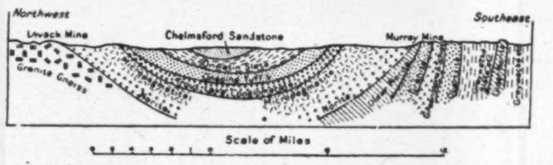
Worthington and Murray mine deposits were both discovered by railway cuts. Worthington, which is operated by Mond Nickel, is said to be looking much better at deeper levels.

Murray mine after a checkered career fell into the hands of British-American Nickel and when it failed. International Nickel took it over. Its ore reserves, proven by diamond drill and development are estimated around 9,000,000 tons. Hand-picked ore contains a combined nickel-copper content of around 3 per cent.

Frood ore body, of which so much is heard of late, has long been known and regarded as a low grade deposit, containing a much greater tonnage than Creighton. It now develops that at depth it is very rich in copper, and may run 10 per cent. copper and 2 per cent. nickel. Mond nickel has a corner of the ore body right in the centre.

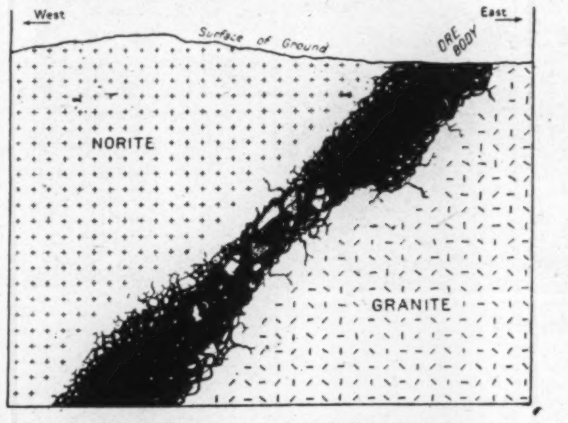
There are hundreds of other known bodies some of which have been worked and others that have not been touched.

Sudbury Basin Geology



Cross section as first suggested by Dr. Coleman, which may work out as the correct structure of the Huge Sudbury basin which seems to be destined to be a prolific producer of mineral.

Geology of Nickel Belt



Famous Creighton Ore body. This is typical of the Sudbury Nickel ores, the block representing a cross section of the ore body on the contact.

Mond Nickel Supplies Italy's Vineyards With Washtubs—Holds Trade

Mond Nickel Co. ships nickel copper matte to England in barrels. These cost $2.20 each. At the refinery the barrels are used again to ship copper sulphate to the vineyards of Italy. The class of barrel used is what holds this copper sulphate market for Italy. The vineyards demand that the barrels be suitable water containers and after they extract the copper sulphate they cut them in two and make wash tubs of them. A somewhat similar case is that of Sweden in shipping matches to England. The purchasers cannot resell the packing cases. They can, however, find a market for coffins and the story goes that most of the Swedish matches sold in England are shipped over in coffins.

Mond's First Venture in Canada

Victoria Mine, about 22 miles from Sudbury where Mond Nickel first came into production and where it operated until the new plant at Cormiston was ready.

Two Nickel Operations Dividends $91,300,000

International Now Paying 8 and Mond 12½ on Common or Nearly $6,000,000 Yearly Between the Two Companies

Ontario's two large nickel-copper producers, International Nickel and its predecessor, Canadian Copper Co. and Mond Nickel, have distributed to shareholders to the end of 1926, $91,300,000. They are distributing at present at the rate of $5,625,874, but there are good possibilities that in the not distant future both companies may increase the disbursement on the common or ordinary shares. International Nickel is now paying 8 per cent. or $2 per share on the common which, at the present market of around 70 gives a yield of around 2.85 per cent. Mond Nickel at present is paying 12½ per cent. on its ordinary shares which are selling around £2 which gives a yield of between 6 and 7 per cent. Mond Nickel has been paying dividends steadily since 1905. International Nickel missed its dividend for a few of the lean years. The figures:

Company	Total to end of 1925	Paid in 1926	Total to end of 1926
Canadian Copper	$ 1,975,000	....	$ 1,975,000
†International Nickel, preferred	10,695,006	$ 534,756	11,229,762
International Nickel, common	54,787,060	3,346,768	58,133,828
Total	$67,457,066	$ 3,881,524	$71,338,590
‡Mond Nickel Co., deferred	£ 264,043	....	£ 264,043
" preferred	1,619,989	£ 236,370	1,856,359
" common	1,880,318	112,500	1,992,818
Total	£ 3,763,350	£ 348,870	£ 4,113,220
			$20,017,671

*For the Mond Nickel Company the fiscal year ends April 30 and the figures given are to that date.

†Successors to the Canadian Copper Company. The International Nickel Company paid dividends on the common stock from 1909 to 1919, inclusive, and again in 1925 and 1926. Common stock outstanding is $41,834,600, and preferred stock $8,912,600, or a total of $50,747,200.

‡Debenture interest paid by the Mond company was £96,393 for the fiscal year ending April 30, 1926; and from 1912 to 1926, inclusive, totalled £935,156. The issued and paid-up capital of this company is £900,000 common; £1,750,000 cumulative preference, £2,000,000 non-cumulative preference, both of these 7 per cent.; £375,000 of 5 per cent. debenture stock, and £1,000,000 of 5½ per cent. debenture stock; or a total of £8,025,000.

GOOD REASONS FOR C.P.R. BIDDING FOR NICKEL CONTROL

Such a Move Would Have Beneficial Effect on All Concerned

There is much gossip about the rounds on the possibility of C.P.R. purchasing International Nickel control. There may or may not be anything in the rumor at all, but it is an interesting possibility that would have great advantages for all concerned.

From the standpoint of the company, it would help materially to popularize the operation with Canadians. International Nickel has been growing steadily in popularity the last few years. At the time of the British American nickel failure, it is known that the heads of the company were seriously concerned with the adverse criticism that was going the rounds of the press. It is believed that the listing of the stock in Toronto and the issuing of regular reports of earnings have had a tendency to disarm much of this criticism.

Nickel Now Popular

"Nickel" to-day enjoys tremendous investment interest throughout the Dominion. On the other hand if C.P.R. was to step into the company it would tend to widen this interest materially. If it should happen that C.P.R. has taken up a block of the stock, which might not be done direct but through interests associated with it, and as a result were able to make representations to the nickel company which resulted in a couple of additional Canadians being added to the board, and if it happened that these were men of such calibre as Charles Hosmer, it would prove a tremendously popular move with Canadians.

C.P.R. Viewpoint

From the standpoint of the C.P.R. it would be an excellent venture. Back in 1918 C.P.R. enjoyed a large traffic from International Nickel. This has dwindled materially. It has been divided up between C.P.R., C.N.R. and Algoma Eastern with the latter railway now enjoying the bulk of the business. C.P.R. profited doubly from its smelters venture and the outlook for "Nickel" is that the Smelters experience might be duplicated.

From the generally Canadian viewpoint, it would give quite an impetus to the mining industry, if it transpired that control of Nickel came back to the Dominion. It is suspected by many that Noranda control is now with Mr. Timmins. C.P.R. saved Consolidated Smelters from getting into the hands of New York and the return of Nickel would round out Canada's grip on her own base metal deposits with perhaps the exception of Howe Sound's Brittannia operation and Granby Consolidated.

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"Frood Mine of International Nickel Contains at Least 100 Million Tons of Ore"

(From article by Hon. Chas. McCrea on page 1)

NO WORRY OVER RESERVES FOR THE NICKEL OPERATORS

International Nickel and Mond Co. Are Both Well Taken Care Of

CREIGHTON STANDS UP

Vast Deposit of 4 Per Cent. Nickel Has Been Steadily Adding to Value

What are the ore reserves of International Nickel?

This point has been raised a number of times of late. Some have expressed the opinion that the Creighton mine reserves have dwindled more rapidly than it was expected they would, hence the move to open up the Frood mine with such surprising results.

An engineer close to the nickel situation stated to The Financial Post recently, that still considering the Frood a low grade nickel-copper proposition, he estimated that International Nickel had ore reserves for well over 100 years, and Mond Nickel reserves for 50 years. Hon Chas. McCrea, in his article on page 1, says 100 to 150 years is the estimate. Dr. Corless says Mond has 30 or 40 years proven reserves.

When he appeared before the Ontario Nickel Commission in 1916, A. D. Miles, then president of International Nickel Co. of Canada, gave interesting evidence in regard to the company's ore reserves. These facts are very material to-day. They point to many facts about reserves that indicate that Nickel's ore assets are a great deal larger than many think.

Dr. Miller—Mr. Miles, what can you say as to the known ore reserves of the Sudbury district? A.—That, of course, must be more or less an estimate; I would say roughly that there are between sixty-five and seventy million tons in the district.

Q.—That is, of proven ore or, as they sometimes call it, "positive" ore? A.—No, I would not say positive ore, but probable ore. I would not say proven ore.

Q.—Down to a certain definite level? A.—Yes.

Q. — What estimate would you put roughly on the positive or proven ore? A.—That depends entirely on what you mean by proven ore. If you accept diamond drilling as proof of ore, that is one thing. Diamond drilling is not proven ore, but it is probable ore. If you accept diamond drilling records as probable ore, I would say there are at least sixty million tons indicated by diamond drilling.

Use of Diamond Drill

Q.—That is the way in which the ore is "blocked out" in the Sudbury area. In many cases they use that term? A.—I don't think you can say it is blocked out. By blocked out we mean developed by sinking and drifting.

Q.—In a really large ore body diamond drilling is fairly satisfactory, for instance, as in the case of the Michigan and Minnesota iron deposits? A.—Yes, we have found it perfectly satisfactory.

Q.—So that what you would call probable ore would be almost positive or practically positive ore; where the deposit has been thoroughly drilled? A.—Yes, it would.

Q.—In that district; but if you were dealing with narrower deposits, ordinary veins, you could not say that? A.—No, and you could not say it as regards the smaller deposits of that same district.

Q.—But on a body like the Creighton or No. 3? A.—Yes, in those cases I would accept that as proven ore.

Q.—I think the company has publicly made statement as to the quantity of ore that has been practically proven in the various deposits; would you mind giving us some information along that line? I would like to have the figures as to the main deposits, Creighton, Crean Hill and No. 3, and probably some of the others that are not working at present?. A.—We estimate 57,000,000 tons of payable ore, say 10,000,000 tons in Creighton, 2,000,000 tons in Crean Hill, and 45,000,000 tons in No. 3. We have not included in that any ore aside from Creighton, No. 3, and Crean Hill. In addition there is the Stobie, and the old Copper Cliff mine, and the Evans; undoubtedly there is ore in all of them, but it is not sufficiently proven to make any record of it.

Q.—It could be said from the experience of the Canadian Copper Company that practically no ore body there of any size has really given out? A.—Yes, that is true, with but one exception, that is the Evans. The Evans apparently gave out completely at about 300 feet; however, we are of the opinion that it was due to a fault.

Took Cheapest Ore

Q.—Yes, that is what I should think, due to a fault. And the reason that the Copper Cliff and some of the other deposits are not worked at present is simply that you can get the ore more cheaply from the other deposits? A.—Yes.

Q.—The Copper Cliff ore is known to be very rich? A.—Very high grade, but a comparatively small deposit, and the workings are deep.

Mr. Young—You told us at Sudbury that the estimate by your company of your ore reserves was very conservative? A.—Yes, I think so, and I base that on our experience in opening up Creighton after we had diamond drilled it. We found the estimate had been conserative, as the levels were developed.

Q.—And you also said there was no reason to think that the ore bodies do not continue? A.—No, we have no proof with the exception of the Evans, of any ore body that has been bottomed.

Q.—And your opinion is that it does continue? A.—Undoubtedly.

Q.—I understand the Evans is the only one you can put in that class? We are not prepared to say, we are not satisfied that such is the case. We are of the opinion that it is faulted, but we have not definitely proven it.

Dr. Miller—And it has not been worked for quite a number of years? A.—It has not been worked for a number of years, no.

Q.—Nowadays there is lots of ore available without it? A.—Yes, and at the time the Evans was worked the geology of the district was not as well known as it is now.

Q.—Of course, in estimating your reserves at present, you are considering ores which do not need to be concentrated, but if, in the future, you wish to concentrate, you will have much larger reserves? A.—Yes, the concentrating ores have been omitted from all our estimates.

Mr. Gibson—You say sixty-five to seventy million tons in your opinion would be a fair estimate of the probable ore, using the word "probable" in the sense in which you defined it. What would you regard as ore and not ore? A.—Three per cent. total metals or over.

Q.—As ore? A.—Yes.

Q.—Less than that you would not class as ore? A.—No.

Q.—That is to say, in your opinion, you cannot make a profit out of less than 3 per cent. ore? A.—I would not say that with the methods now in use we would not work an ore under 3 per cent. I don't mean to say a 3 per cent. ore in the ground, but sorted to 3 per cent. in the rockhouse.

Q.—If you had a mass of ore in the ground that contained 3 per cent. metallic contents, would you regard that as worth anything? A.—Oh, yes.

Q.—In the ordinary way of handling, that would become higher grade ore? A.—Yes; on the other hand, you may have a deposit that would average only 2 per cent., but with the rock mixed with it in such a way that it would lend itself to separation by the method which we use now, and sorting it you could bring it up to 3 per cent. I included all such ore in that estimate.

Q.—Well, then, in what case would ore containing not more than 3 per cent. not be valuable? A.—If you take a deposit such as the Frood, the mineral is scattered through it in such a way that it would have to be separated mechanically, and it does not lend itself readily to hand-picking. In other words, the ore is mixed with rock throughout, but as all of the rock is mineralized, it is very difficult to separate it by hand.

Frood Valuable

Q.—Take the Frood ore; if the Frood deposit had been less than 3 per cent. would you have regarded it as a valuable mine? A.—Yes, I would, but not as mines are worked now.

Q.—I mean with the present methods of treatment? A.—No, I would consider it a concentrating proposition.

Q.—Would that opinion be based upon the fact that that ore is not easily workable; you do not want to be bothered with it, you mean? A.—Yes. It will not be necessary to work those ores for a good many years to come, but I daresay by the time we are ready to work them methods will have been developed which will enable us to work them at about the same cost.

Q.—What is your view with regard to the prospect of assistance from flotation methods? A.—We have done no real work in flotation outside of a little laboratory experimenting, and for that reason I am not in a position to say. Mr. Corless has done, and I think has very successfully done, flotation. We have not done it, for the simple reason that it has not been necessary.

Q.—You have plenty of ore to handle, so at present you do not require to use these methods. Flotation methods have been successfully adapted to the treatment of copper ores in the West; would they have any bearing on your problems? A.—Yes, I think they would. I cannot say from actual operating experience. To my mind there is no doubt that flotation would be adaptable.

Chairman—In regard to getting rid of silica, are there any prospects of coming across large and reasonably cheap deposits of limestone that would help you along? A.—Not very close at hand. There are limestone deposits on Manitoulin Island, that are a mixture of calcite and magnesite, which could be used. I think that is the nearest limestone to the mine.

Q.—I suppose from your point of view, for the moment anyway there would be no special advantage in "selective" flotation, getting twice as much nickel in one product as in another, and then smelting them separately? It would not pay under your present system of working? A.—I cannot say, but you have not solved the problem of separation. You have only partially done so, and you have not simplified your methods of refining in any way.

Q.—Then your view would be that selective flotation would only be valuable if you tacked on some additional process or modified your present process? A.—Yes, otherwise you would have too many products to deal with

Q.—It would really mean mixing together what you have already separated, I suppose? A.—Yes.

In the body of the report it is stated that the ore reserves of the Creighton were estimated at 10,000,000 tons. In the intervening years it is doubtful if ore has been drawn much faster than the reserves have been added too. It is the opinion of those well posted on the situation that at least two thirds of the Creighton's large deposit of four per cent. nickel is still intact.

As for the Frood deposit, it was estimated some years ago that this great showing of gossin, extending for a mile on surface, contained a greater tonnage than the Creighton, but it was less valuable, about two per cent. nickel, compared with four at the Creighton and two per cent. copper, just a little better than the Creighton. Now it develops that the two per cent. nickel continues to a depth below 3,000 feet, which will make it one of the deepest deposits of the camp, but the important fact is that the copper content rises to 10 per cent. at 3,000 feet. There is the additional fact that it is very doubtful, when the ore reserves of the Frood were estimated, that a depth of 3,000 feet was considered. At that time International Nickel had a shaft down 400 feet, and Mond Nickel on Frood Extension had a shaft just below 1,000 feet.

Frood Mine, Known for Many Years, Held Hidden Wealth Undreamed Of

Was Diamond Drilled Years Ago But Only Low Grade Deposit Indicated — Has Been Neglected Until Quite Recently

Frood Mine, Sudbury, which is playing such an important part in the rise in the market for International Nickel shares, has been known for years. Only recently has its true value become known. To-day what has for years been considered a low grade nickel-copper body, is now regarded as one of the largest and richest copper deposits in the Dominion, if not in the world.

An interesting fact about the Frood is that its successful development is going to prove a boon to the two large nickel companies operating in the Sudbury district, International Nickel and Mond Nickel.

By reference to the accompanying graph, it will be seen that Mond Nickel owns but a corner of the great ore body and that International Nickel has a body a mile long less the portion that cuts into Mond ground in the middle of the body. The deeper the workings go, the more of the body Mond will have because of the dip of 60 degrees. Mond's holding is called Frood Extension.

Low Grade Ore Cut

Some years ago International Nickel diamond drilled its holding and sank a shaft 400 ft. This work indicated an ore body of great dimensions, averaging 2 per cent. copper and 2 per cent. nickel. The company owned the three important 160 acre blocks that contained all but a little corner of the mile long ore body. The other 160 acres. rounding out the square mile were left neglected for some years. It is anticipated that Mond Nickel learned something of the dip of the ore body for when the 160 acre block was offered then they took it up.

Mond people diamond drilled their holding, having to go 300 ft. below the surface to get its full width. Deep holes were tried, but directing them was difficult and the first ones diverted over onto Nickel ground. Later they devised a method of controlling the drills and 1,500 ft. holes were driven. These are thought to have indicated a better grade of ore than Nickel got and a deep shaft was started. It got to 1,050 ft. when the war was at its height and work was stopped to drive ahead on the Levack deposit. Since then work has been resumed, the shaft was carried down to 2,000 ft. and when the writer inspected that level recently a diamond drill was working out the first of a series of 1,500 ft. holes which will cut the ore around 3,000 ft.

Width is Great

No details of the values secured in operations to-date were vouchsafed by officials of the company but on the 2,000 ft. level, the body had a length of 1,200 ft. width 60 to 100 ft.

Great stopes were being opened up. So far only development ore has been hoisted. The company has fitted up only a portion of its shaft operating but one cage. It will be fully equipped later.

Mining the Frood ore body will make for very economical mining Mond Co. is cutting levels 300 ft. apart and stopes will be of the gravity variety. The stopes are being driven up on the hanging wall and gradually cut back to the foot wall. Such stopes are very similar to the funnel stope's employed in the Sullivan mine of Consolidated Smelters at Kimberley.

Take Time to Develop

It will likely be some time before the real details of the Frood body are forthcoming. Naturally International Nickel is reticent about values, as its information on the values of the deposit at depth is based on diamond drilling and while these are generally pretty conclusive, there is the off-chance of a mistake. Mond's ore looks good, but whether they have encountered the same rich ore as "Nickel" is not known. Samples of the ore, examined in the stope showed massive chalcopyrite and nickel and rhyolite and nickel, but the proportion of copper to nickel, did not seem very great.

Kamiscotia-Rouyn Will Form Operating Companies

MONTREAL — The Kamiscotia-Rouyn Syndicate is planning to form development companies to operate its properties in Kamiscotia, in Hebecourt township, and in the Rouyn copper gold area of Quebec, as soon as values have been proven by further development work.

To date, the following developments have been reported by the syndicate: On group number 2 Robb Township, Kamiscotia, a large vein over 45 feet wide has been discovered, on which active exploration work has been carried out. A test pit has been sunk here and assays run high in copper and gold. A large continuous ore body is indicated on this group probably extending to group number 8, which is bounded by the Hollinger discovery.

On group number 5 in Hebecourt township, Rouyn, four discoveries have been made indicating large ore bodies which it is the intention of the syndicate to explore thoroughly and prove by diamond drilling this summer.

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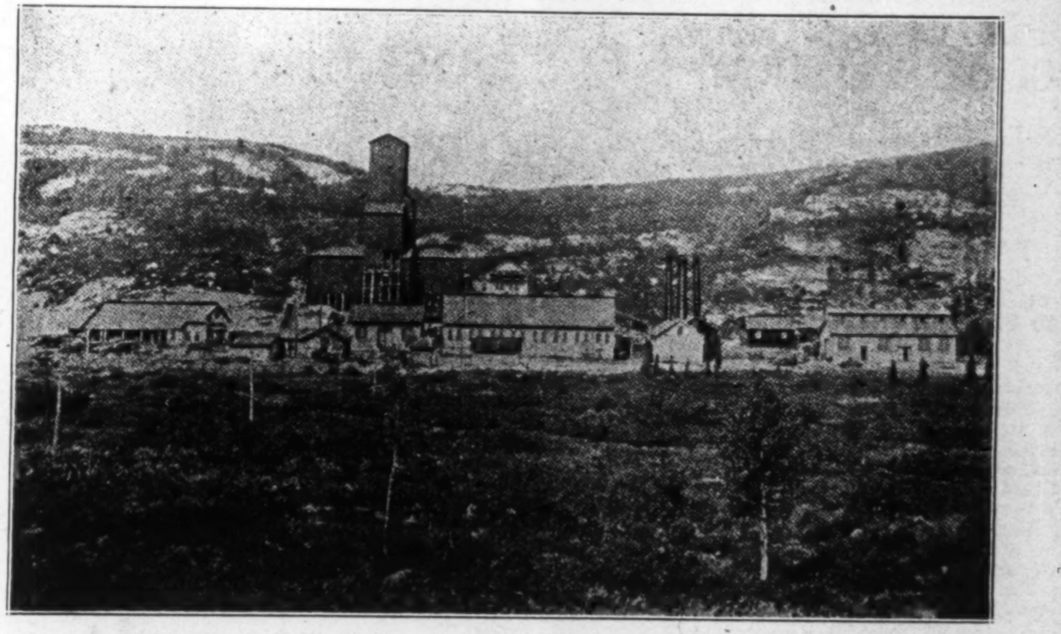

Surface plant at Levack Mine, 25 miles N. W. of Sudbury, owned by Mond Nickel Co and the bulk of which was staked by company engineers. Mond proved up an ore body of millions of tons after three other groups had drilled and burned the property down.

MUCH OF NICKEL BUYING IS FOR 2 OR 3 YEARS' HOLD

This and the Big Short Interest in New York Serve as Market Stabilizer

The market outlook for International Nickel is regarded as excellent in well informed circles.

A big factor at the moment is the large number of new buyers that have come into the market. It is believed that Nickel to-day has hundreds of shareholders that never held a share before. It is common gossip about the street that C. P. R. has purchased 200,000 shares during the past month.

New York has been a seller of Nickel. They have continued to look upon the stock from an earnings viewpoint. Canadians have been buying from a speculative viewpoint, discounting the future. The buying has been in such volume that the price has risen sharply. This has developed a large short interest and is a helpful factor. It will work against any really serious break in the stock.

New York reports that since new information has been forthcoming in regard Nickel, there has been heavy buying for a hold. They say that the great bulk of the stock now being bought is being taken off the market and will go into strong boxes for a couple of years. This was a tremendous bull feature in the market for Consolidated Smelters and it is holding these shares at a high level, despite the declaration of many that the stock is selling too high. During the last few days, the writer has met many Nickel officials who say that the stock is selling too high. These men are undoubtedly like those at Consolidated Smelters at Trail and Kimberley. They are too close to the job to get the stock in its whole perspective. They can see the mine but not the market.

While in Sudbury recently the writer was told of Copper Cliff people who not only sold out their holdings of International Nickel at 18, but also went short on the stock.

The trend of Nickel and Consolidated Smelters stock by months for 1925-6 and 7 follows:

	Nickel		Smelters	
	High	Low	High	Low
1925				
Jan.	28⅞	25¼	68	48½
Feb.	28½	25⅞	72	63½
Mar.	27½	24¼	71	58½
April	30¾	26½	70	60
May	30⅝	27⅝	86	69
June	31¼	28½	85¾	77¼
July	32	29½	116	83¾
Aug.	35⅜	30½	124	107½
Sept.	34⅞	32½	121½	114
Oct.	39½	32⅛	168⅜	112¼
Nov.	48½	37⅝	165	144
Dec.	48⅜	42⅝	183½	144½
1926				
Jan.	43	42	206½	177¼
Feb.	45⅞	40	247½	208
Mar.	40¼	38	244½	168
April	37	34	214	191
May	36½	32½	211⅞	185
June	38	35¼	219¼	207½
July	40¼	36½	221⅝	210
Aug.	39	36	250	220
Sept.	39	35⅞	254¼	238½
Oct.	37¼	34¾	244	226
Nov.	38⅞	35½	254	232
Dec.	39½	37½	265	225
1927				
Jan.	43½	38⅝	255	243
Feb.	44¼	40¼	253	242
Mar.	43	40	263	245
April	60¼	41	264⅞	250
May	75	56	256	245
June	74	68	251	245

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Beaver Lake Area in Manitoba Looks Well

Selkirk Gold Mines, operating at Hole River, Central Manitoba, has stopped diamond drilling from the bottom of the 500-ft. shaft and are drilling further east. Chas. Spearman, B.Sc., consulting engineer, is much taken with conditions to the east near Beaver Lake.

In the meantime no shaft sinking will be undertaken, though present plans call for sinking near Beaver Lake if the showings uncovered by diamond drilling warrant operations.

NATIONAL LEAD IS SECOND CONCERN IN CHELMSFORD

Vermillion River Ground Staked When Drilled— Got Idea Lying in Bed

Lying in bed one morning rummeling over the lead-zinc development of Sudbury area, a well-known Sudbury diamond drill man hit upon the thought that the bed of Vermilion river, just west of the Bunker Hill-Sullivan operation, might not be staked. For some years river beds were not available for staking and he wondered if anyone had figured out that this was open ground. He hustled down town, inquired and found that his hunch was right, the area was open. He lost no time in having it staked.

Later he was able to interest National Lead. New York in the holding, and options on the adjacent farm land were secured. To-day National Lead is carrying out an aggressive diamond drilling campaign to test out the holdings which are said to lie directly on the strike of the mineralized zone. The work is being done by St. Louis Smelting and Refining Co., a subsidiary of National Lead and the holdings taken up total 1,500 acres in the north-eastern portion of Fairbanks Township and the north-western section of Creighton Township, the area including practically all the land lying between the elbow o fthe Vermilion River. The first hole is being sunk about one mile from the present scene of the Bunker Hill-Sullivan activities.

The greater part of the ground under option is owned by R. M. MacPherson, of Toronto, and he has held it for many years. Oscar Smith, of Sudbury, who has considerable acreage in that area, also holds some of the territory under option. The first hole is being sunk under the Vermilion River at a point about one-quarter of a mile east of the boundary between Creighton and Fairbanks Townships.

Options for the properties were closed by Rex Taylor, engineer and Canadian representative of the St. Louis Smelting & Refining Co. Mr. Taylor accompanied Mr. Schwartz, geologist for the National Lead Co., to the district.

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Speaking at the annual meeting of the Canadian Manufacturers' Association at Calgary, Cyril T. Young, F.R.G.S., Superintendent of Development, Canadian National Railways, outlined an entirely new viewpoint on Western Canada's oil possibilities. No one can visit Turner Valley, he said, and not be impressed with the fact that Royalite No. 4, which has put the company on a dividend basis, produced more oil returns than all the rest of the oil wells in Canada together in 1926. On looking into the geology and structure and taking into account the fact that this well is called the wonder well because it averaged 600 bbls. per day last year of 72 degrees baume (which is a gasoline that you could put into your motor car and drive off with) one would wonder why other wells in the same valley, when they reach a 3,740 ft. at which depth Royalite came in, or 4,000 ft. horizon, would not have a chance. It is most probable they have because the Vulcan No. 1 is producing 110 bbls. as compared with Royalite No. 4, 600 bbls. average for the past year: Illinois Alberta 90 to 100 bbls., McDougall-Segur 80 to 90 bbls.; McLeod No. 2 60 bbls. Others are commencing to produce with likely prospects as Dalhousie No. 1, 55 per cent. of which is owned by Royalite, and others—such as British Petroleum No. 1 and 2, with 50 bbls. each at Wainwright.

McMurray Sands

Nothing answers the question of the oil possibilities of the West as the actual oil saturation which is found in the Athabaska sands for 500 miles north of McMurray. The world's yearly production of oil is one billion barrels and the amount of oil saturation in the McMurray sands equals fifty years world production —fifty billion barrels— as quoted to me by the best authority we have on Athabaska sands, S. C. Ellis, of the Dominion Geological Survey, and one will surely realize the oil possibilities in Western Canada. Now the oil that saturated these sands, down this river which flows from the foothills did not come from Persia, nor did it come from Peru or Mexico; nor did it come from the oil fields of Texas, Oklahoma, Kansas, or Montana, all of which, like Alberta, flank the foothills of what we call the Rocky Mountains. It must have come from the foothill section north of Edmonton and this oil formation exists in Canada for 1,500 miles north of the forty-ninth parallel, Dominion geology showing that Fort Norman is on the most easterly outskirts of that oil formation. In passing, recollect that at Fort Norman No. 1 and 2 discovery wells have a 100 bbl. per day combined flow and when the frontier is pushed northward, may yet be utilized.

These McMurray sands may have been deposited after the first period of glacial action and saturated after the second which removed the covering from the shallower oil pools in the upper Dakota sands above the Devonian; and the oil saturation down river occurred even more naturally than we use oil flotation in our ore separation process to-day.

Use It On Roads

The Dominion Parks Branch deserve credit for surfacing roads at Jasper with this material, which is similar to Trinidad asphalt and some of your motor roads like the ones to Drumheller and Turner Valley need such surfacing badly. Why should Trinidad asphalt be any longer laid on the streets of Calgary and other Western cities with the world's largest asphalt deposit within your own province?

The next point to fix firmly in your memory is that Canada imported 46,000,000 of petroleum products into Canada last year. As civilization is daily heading into the use of more gasoline for trucks and motor cars using internal combustion engines and also of oil for the diesel and diesel electric engine which is supplementing steam and under certain conditions supplanting it with great economic advantage, it is essential that those Canadians who can afford the risk, bend their efforts toward production and are not being dependent on foreign oils as we are to-day.

Cracking Has Helped

Had it not been for the cracking process affording another 100 per cent. of gasoline over the old refining methods, manufacturers would not have been able to secure the gasoline to run the trucks loading at your warehouses to-day. The former refining process only yielded 25 per cent. gasoline and also 15 per cent. kerosene, 40 per cent. gas oil, 12 per cent. paraffin and lubricating oils and 4 per cent. coke.

Everyone does not know that through the cracking process the gas oil and sometimes the kerosene is placed in large cracking stills which, for the purpose of illustration, we will say are 8 ft. in diameter, 30 ft. long and 3 inches thick of nickel chrome steel in which the gas oil is heated to 700 degrees and subjected to from 100 to 450 lbs. pressure, bursting the molecules of oil and by this breaking down cracking process obtains an additional 100 per cent. of gasoline—in other words 50 per cent. of the total oil. On this continent in 1925 this cracking process yielded three billion gallons in addition to the four billion gallons secured by the old refining process and this is what made it possible for you to obtain sufficient supplies of gasoline to operate your transportation trucks last year.

Further, when I saw the number of diesel engines being installed into vessels at the Clyde shipyards last year, some of which loaded grain from Vancouver this year; and when I take into consideration the recent successful air flight across the ocean; and when I consider the success of our non-stop diesel engine run across Canada on C.N.R. last year together with the recent outstanding performances of the diesel electric switching engines, I would lack vision entirely if I did not realize that $46,000,000 will not be the amount of oil we would import yearly for fifteen years—a short space of time in the life of a nation—it will surely be a hundred million dollars. The duty, therefore, that devolves on us is not always to exhibit a supercilious wise attitude—often a false front of Scotch caution to the men who are now endeavoring to produce this essential article—oil—but rather to further the search for it by those who feel they can afford to do so.

Devenish Wild Cat Sustains Its Flow

Laughed at by Geologists, it Now Has All the Oilmen of West Thinking

FEVERISH DRILLING

Rush is Expected—Cost of Putting Down Wells is Quite Reasonable

LETHBRIDGE, Alta. — Already extensive drilling plans for the new Southern Alberta great plains oil field, opened up by the Devenish producer south of the little prairie hamlet of Skiff last week, are under way. With the well sustaining its production under the swab and even showing encouraging improvement in the amount of oil coming from the Ellis sand at 3,090 feet, the area is entering now a period of intense drilling activity. The International Utilities Corporation (Canadian Western Natural Gas Company) will have one of the first wells drilling, it is learned.

Geologists Laughed

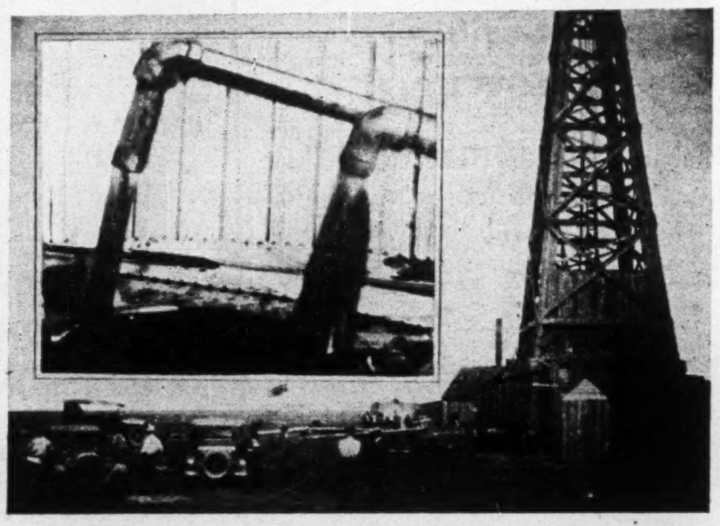
The Devenish "wildcat"—laughed at by the geologists and left unnoticed by the general public—revealed the long-looked-for real crude oil on the Canadian extension of the great Sweetgrass Arch. It sits out on the rolling prairie near an artesian well that supplies the outfit with water. The location was spotted by Mr. Devenish and Prof. Allan of the University of Alberta. Twenty-five miles to the south is the famous Rogers gas well. It is on the Skiff dome, and the theory was that if the drill was put down on the flank they had a good chance of missing the gas and hitting oil. Their theory proved correct.

Proved a Gasser

At 2,780 feet the Rogers well came in as a gasser worth 50,000,000 cubic feet daily. It will be noted, therefore, that the dip is to the north, making drilling slightly deeper. In the opinion of oil men the Skiff field is an ideal rotary field and wells can be put down for around $25,000.

The well is holding up production around 200 barrels, and the oil is of high grade carrying a large percentage of lubricants. It will blend admirably with the lighter oils of the Turner Valley and will carry a lot of fuel oil which is likely to find a market with the C.P.R. for its mountain divisions. The well is free from water, a very pleasing feature.

Southern Alberta's First Crude Oil Well



GRANADA MAKES EXCELLENT PROGRESS

Company Driving Shaft Down —Has Well Equipped Camp

Shareholders of Granada Mines have received the first progress report since operations started. It goes into considerable detail of the work accomplished. It reads:

Summary of operations to April 1st, 1927, consist of: Installation of Ingersoll-Rand 9 x 8 portable gasoline engine driven air compressor and a single drum, single speed, reversible Nova type gasoline hoist. The following buildings were erected and equipped: Combined compressor and hoist house, blacksmith shop, tool house, cook camp, bunk house and office. Sufficient gasoline was landed on the property to supply plant for at least 10 months. The bulk of 8 months' supplies for camp were also taken in as well as a car load of powder. The summer road being such that 900 lbs. is maximum load, made it necessary that the bulk of stores, etc., be on property before the sleighing ceased.

A 9 x 5 vertical shaft was started on No. 1 vein and sunk to a depth of 60 ft. Two DCRW-23 jack hammers being used. A head frame was erected and shaft timbered to 25 ft.

From April 1st to date; the shaft has been deepened to 147 ft., a station cut at 125-foot level, shaft timbering completed and 134 ft. of cross-cutting done, 74 ft. to the north and 58 ft. to the south. An R-72 Ingersoll-Rand lyner was added to equipment and used in cross-cutting. Two eight hour shifts being run daily.

The following buildings were added: Camp store-house, ice house and assay office. The last building also completely equipped. A total of about 12 acres of bush was cleared around camp and plant.

The shaft as previously mentioned, was started on No. 1 vein. Heavy mineralization and much native gold was in evidence in the vein to point where it dipped out of shaft. While shaft sinking was in progress, a number of porphyry bands were encountered and associated with them quartz stringers. At two points about 105 ft. and 140 ft. in the shaft, visible gold was noted in these quartz stringers. These bands of porphyry are most likely branches from the parent body which outcrops just west of the shaft. The association of the quartz stringers and gold even with very narrow bands of porphyry shows the close relationship of the gold to the porphyry.

From the dip of the vein as exposed in the shaft, the north cross-cut should intersect the vein at a point about 90 ft. north of the station on the 25 ft. level.

On surface No. 1 vein can be traced for over 1,000 ft. It has a northwest strike and follows more or less the south contact of a mass of syenite porphyry. This body of porphyry is about 600 ft. in its widest part. The vein is a shearing mixed with quartz lenses. The quartz lenses appear to be dipping more flatly than the shearing.

Native gold is observed at different points along the strike of the vein. Some of the gold is very coarse, while at other points it is finely spread over the walls of the quartz lenses. The schist around the quartz is highly mineralized, being mostly iron pyrite and arsenopyrite. A little copper pyrite and some galena was noticed. In the footwall of the vein in the shaft, thin fractures were encountered with a coating of molybdenite on them. Some of this molybdenite was highly polished.

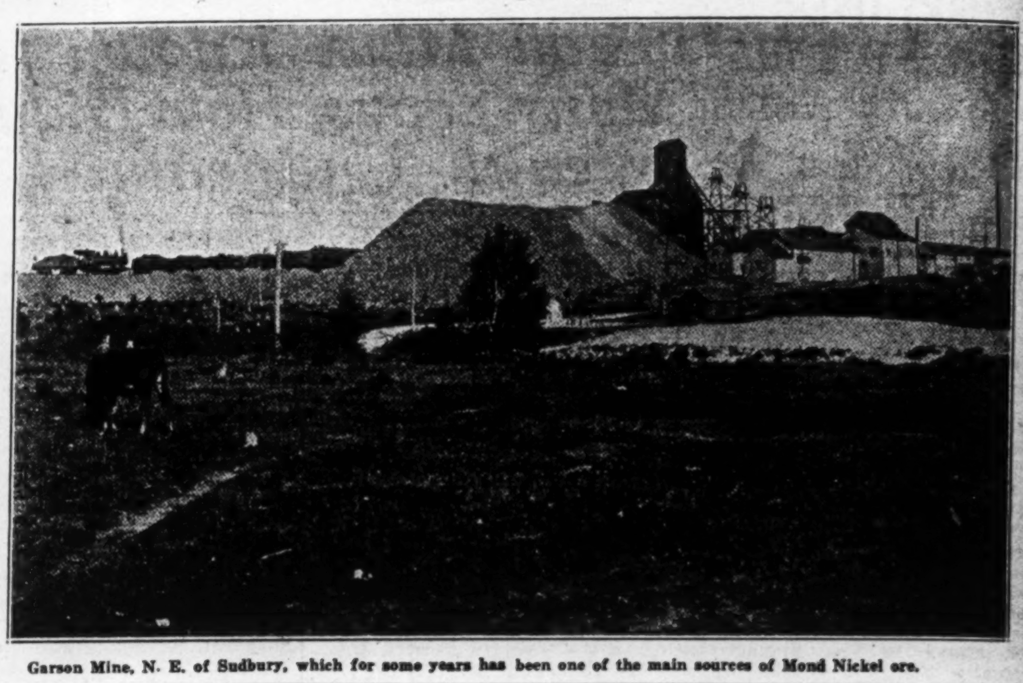
The characteristics of No. 1 vein are also those of the numerous other veins exposed. No. 2 vein lies about 500 ft. south of No. 1 vein. It is quite possible that other veins will be encountered in the ground lying between the No. 1 and the No. 2 veins. For over a mile in length and about 1,500 ft. wide is exposed by surface trenching and mapping, a vein system following closely porphyry intrusions. To the north of this again a large body of porphyry is exposed and also to the west.

To the west of the shaft about half a mile, a diabase dyke is observed cutting across the vein system at right angles.

The existing vein system is amply protected in every direction. The claims embrace a belt of Temiskaming sediments which runs approximately east and west, occupying a trough in the keewatin formation and likely extending to a great depth. The porphyry intrudes these sediments. Basic phases occur in the form of lamprophyre dykes.

The conditions greatly resemble those of Kirkland Lake camp. It is the continuation of the same trough of Temiskaming sediments east from that camp. The high grade characteristics of the veins are similar. The veins exposed on surface have good length and appear of stoping width. The development work planned will prove whether the veins persist and the high grade values are consistent enough to economically mine.

Provides Big Tonnage



Garson Mine, N. E. of Sudbury, which for some years has been one of the main sources of Mond Nickel ore.

Unlisted Securities

Blue Quartz
Brownlee
Cobalt Contact
Fiske Gold
Goudreau
Grozelle Kirkland
Horne Reserve
Howey Red Lake Units
Kirkland Townsite
Kirk Gold
Narlak Development
Northland
Ore Chimney
Pawnee Kirkland
Rouyn Gold Pan
Waite Montgomery Units

Bought Sold Quoted

Aetna Securities Ltd.
1006 Excelsior Life Bldg.
Elgin 6408
Toronto

Surface Showings of Copper and Zinc on Vein "W."

Reports on Assays

Zone "A" East Side of Wall on Claim "A" 10589. Average sample, on a width of nine (9) feet at a depth of ten (10) feet
Sample No 11-N:
GOLD .... TRACES
SILVER.....1.00 ounce per ton value 0.56.
COPPER...4%...80 lbs. per ton, value 10.40.
TOTAL VALUE $10.96

Zone "A"—East Side of Wall on Claim "A" 10589. Average Sample, on a width of nine (9) feet at a depth of twenty (20) feet.
Sample No. 14-N:
GOLD ....TRACES
SILVER .....1.5 ounce per ton, value 0.84.
COPPER ....6.15% ....123 lbs. per ton, value $15.99
TOTAL VALUE $16.83

(Signed) MAURICE ARCHAMBAULT, M.E.

Be a lucky Speculator! Buy without delay—

MAKAMIC MINES Inc.

(No Personal Liability)

IN DESTOR TOWNSHIP, P.Q.

Authorized Capital

$5,000,000 (not subject to call)

Offering Sensible Speculation

This company commenced its development work last October on their Destor Township property.

There are actually nine interesting mineral zones located.

At the present stage of operation, the most interesting zone is Vein "A" in which is found a band of rhyolite, slightly coppered approximately 30 feet wide, in the center of which runs a parallel veinule of chalcopyrite almost massive, having three to nine inches in width, with a maximum of about 24 inches.

The prospect shaft, which is now down 30 feet, shows that the vein is widening and the copper content becoming richer.

A contract for 2,000 feet of Diamond Drill awarded to Messrs. Smith & Travers Limited, of Sudbury, Ont.; same is progressing with all possible care and expediency.

A telegram received at this office from Mr. Maurice Archambault, consulting engineer for the company, dated May 16th, states: At one hundred feet, east of the shaft, the diamond drill crosses twenty inches of copper ore almost pure.

An interesting innovation at the MAKAMIC MINES INC., is the provision of a cabin camp, containing six rooms, in which visitors to the property are accommodated.

Mr. Maurice Archambault, B.A., B.S.A., at Amos, Que., is the consulting engineer for the Company. The resident engineer is Mr. L. Buisier, a graduate of the Montreal Polytechnical School.

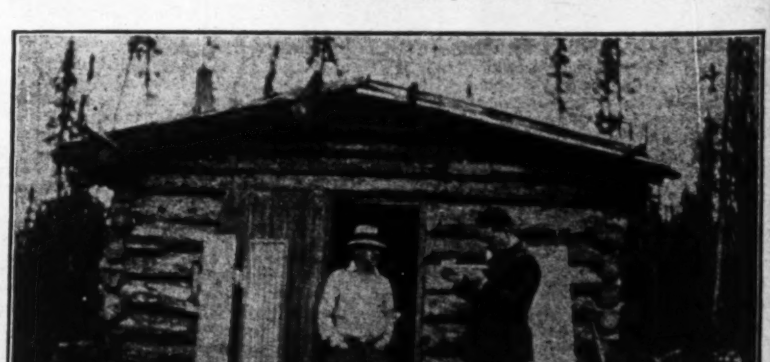
Judging from the results of development work, already obtained, the MAKAMIC MINES INC. is undoubtedly one of the best mining and most interesting properties in the Province of Quebec, and offers substantial possibilities to wise speculators.

For further information write

Mining Securities Corporation

(Fiscal Agents)

Room 303,
205 St. James St.,
MONTREAL, P.Q.
Phone Lancaster 0276



Engineer and his assistant examining Cores extracted by diamond drill.

Mining Securities Corporation, 205 St. James Street, Montreal.

Gentlemen,—Kindly furnish me, without any obligation on my part, with the latest information on MAKAMIC MINES, INC.

Name________________ Address________________

WEALTH CREATED BY NICKEL MINES IS $317,394,000

Have Paid to Shareholders Over Ninety Million Up to 1927

PLATINUM VALUE UP

Precious Metals Assume Important Position Because of the Frood Values

New wealth created by the nickel-copper mines of Sudbury totals $317,394,000 to the end of 1926, and in the period to the end of 1925 distributed to shareholders $87,474,737 in dividends.

The figures:

	To 1926	1926	Total
	$	$	$
Nickel	213,542,357	14,374,163	227,916,520
Copper	72,819,550	4,828,964	77,648,514
Platinum ..	10,269,857	1,559,262	11,829,119
	296,631,764	20,762,389	317,394,153
Dividends paid end 1925			$87,474,737

Ontario's two nickel mines International and Mond, are mining and treating around 1,300,000 tons of ore yearly, and are producing new wealth at the rate of about $22,000,000 yearly on the present basis. This is likely to reach a higher level this year. Production for the past two years in quantities follow:

		1925	1926
Matte, treated	tons	38,352	33,489
Nickel oxide, marketed	lb.	11,329,713	7,644,808
Metallic nickel, recovered	"	31,765,325	25,627,602
Blister and electrolytic copper	"	19,140,089	17,713,530
Gold*	ounces	4,016	4,447
Silver*	"	134,390	151,429
Platinum metals* ..	"	16,980	19,495

*Includes Mond total.

Platinum production of the Nickel Mines has grown in importance of late and will be much more so when the Frood gets under way because of the high precious metal as well as high copper. In 1913 the platinum metals produced netted $45 per ounce, and this year the price is around $80. Figures follow:

	1925 Ounces	1926 Ounces	Value
Gold †	4,016	4,447	$ 91,362
Silver	134,390	151,429	90,980
Platinum	8,692	9,471	918,720
Palladium ...	7,856	9,790	626,530
Rhodium, Ruthenium, Osmium and Iridium	432	234	14,012
Total platinum metals	16,980	19,495	$1,559,262

†Includes small recoveries of the Rhodium group by the Mond Nickel Company.

Nickel Production by Years

Year	Value
1898	$ 514,220
1899	526,104
1900	756,626
1901	1,895,970
1902	2,210,961
1903	2,499,068
1904	1,516,747
1905	3,354,934
1906	3,839,419
1907	2,271,616
1908	1,866,059
1909	2,790,798
1910	4,005,961
1911	3,664,474
1912	4,736,460
1913	5,250,803
1914	5,136,804
1915	17,042,230
1916	20,685,564
1917	21,041,956
1918	27,840,422
1919	11,971,931
1920	15,689,131
1921	4,050,601
1922	7,038,192
1923	9,563,416
1924	11,309,326
1925	15,946,673
1926	14,374,163
Total	$224,354,929

Copper Production by Years

Year	Value
1901	$ 589,080
1902	680,283
1903	716,726
1904	297,126
1905	688,933
1906	960,813
1907	1,045,511
1908	1,071,140
1909	1,127,015
1910	1,374,103
1911	1,281,118
1912	1,584,310
1913	1,840,492
1914	2,081,332
1915	3,926,018
1916	8,365,255
1917	7,961,662
1918	8,532,790
1919	3,709,687
1920	3,970,744
1921	1,093,850
1922	2,069,824
1923	3,456,067
1924	3,825,294
1925	4,739,124
1926	4,828,964
Total	$71,816,255

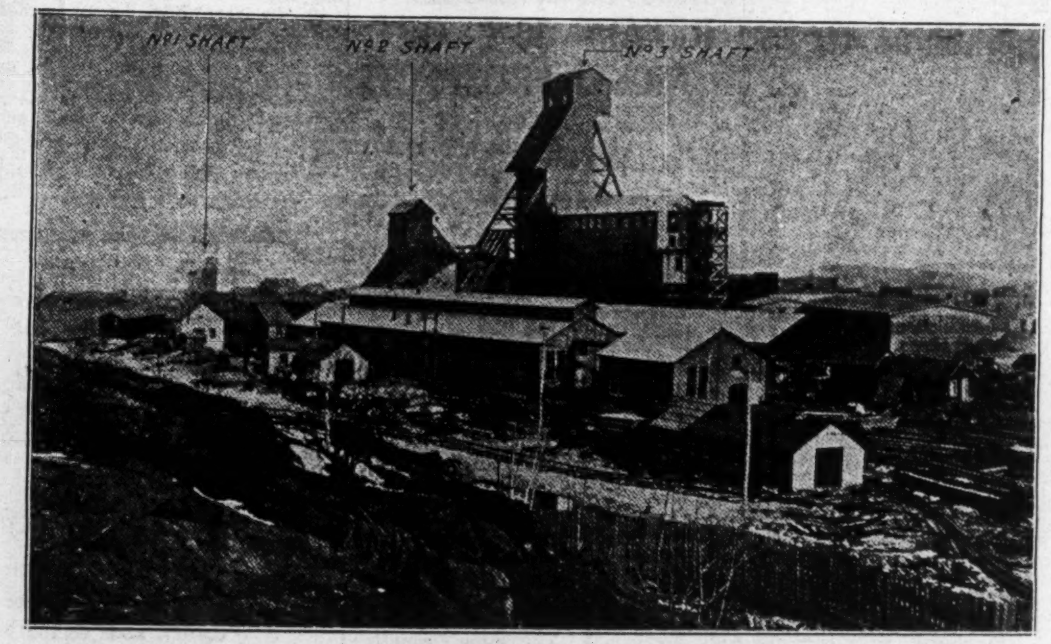
Bagamac to Drill Under Rouyn Town

Exploration of Bagamac Rouyn Mines is being pushed ahead. A geological survey now under way will be followed by diamond drilling on the ground underneath the Town of Rouyn, and also on the veins to the south and west.

The new quartz vein, running parallel to the vein discovered two years ago, has a width of from 6 to 10 feet, and is similar to the Kirkland Lake ore bodies in appearance. The vein carries considerable molybdenite, and is well mineralized. It has been opened up for over half a mile. Two test pits are being sunk on the vein, and systematic sampling being done. The vein dips to the north, and should connect up with the discovery made two years ago, which dips to the south, somewhere around 150 feet in depth. It is thought interesting developments can be looked for here.

An encouraging development is taking place half a mile farther to the west, where a deep trench has disclosed a mineralized area which may prove to be of considerable importance. At a depth of 12 feet the vein content is entirely loose sulphides, solid rock not having yet been encountered. A shaft is being sunk on this at the present time.

One of Canada's Wonder Mines



Creighton Mine, of International Nickel which produces 4 per cent. nickel ore and which is considered one of the most valuable mineral deposits ever found. Creighton ore is better adapted than that of any other mine for the manufacture of Monel metal. It possesses large ore reserves and the company has been steadily expanding the known boundaries of the deposit. A great open pit which provided a tremendous tonnage by open cut method is to the left of the picture, hidden by the hill in the foreground.

GOOD COPPER ORE ON NORRINGTON AT LA SARRE, QUEBEC

Close Study of Geology Seems to Have Worked Out Position of Granite

R. W. Norrington, president and F. C. Shorey, vice-president, Norrington Development Co., have just returned to Montreal from an extended tour in the north country, where they inspected the numerous properties held by their company.

In McElroy Tp., Ontario, about seven miles east of Boston Creek Station, active operations have been carried on for the last three months in prospecting 1,400 acres owned by the company, where a large surface deposit of copper-gold has been uncovered. The ore body has been traced for 150 feet on the surface, and assays in 20 feet in width, of which four feet is massive chalcopyrite ore, give 18 per cent. copper across this width. The remaining part of the vein copper is disseminated through it, and assays from three to four per cent., which should make a very easy concentrating ore. The developments are so positive that the management has instructed to start sinking immediately an incline shaft at a depth of 100 feet where both drifting and cross-cutting will be carried on. A crew of 18 men under the supervision of Peter McGinley, is now working on this property, and the crew may be shortly increased. The shaft is now down 20 feet, and if the showing continues to improve a small steam hoist and compressor will be installed. The property is very accessible, being reached for the first five miles by a wagon road past the Barry-Hollinger, and is in direct line from the T. & N. O. Railway about five miles distant. The electric power runs within three miles from the property.

Worked Out Geology

At La Sarre, Quebec, the company owns and controls some 1,200 acres 4 miles north of the Canadian National Railway, and operations were resumed on this property on May 1, by Engineer Wilson, who has a crew of 15 men opening up the property.

Considerable diamond drilling was done on this property last fall, south of the granite intrusion, but the results were not satisfactory, as it was found that the copper dipped toward the south and the ore body, while consistent and spectacular on surface is cut at depth by the granite. The result was that the property was shut down until the spring, when a thorough geological examination could be made and the surface worked at better advantage than during winter time.

Carrying out a geological theory that this granite intrusion came later than the deposition of the copper, active operations were started north of the granite some thirty days ago, and a deposit of copper was picked up 12 feet in width, of which 4 feet was massive chalcopyrite averaging 15 per cent. copper, and the balance about 4.2 per cent. copper. This lens of ore has been trenched and proven for a length of 150 feet, as further trenching is impossible due to low ground at the present time. The width and values are consistent along this entire length, and where the trenches have been shut down to a depth of 4 or 5 feet the values have improved. Engineers representing other companies who have recently visited the property are of the opinion that there is no chance for the ore body to be cut off by granite intrusions and that the ore bodies should go to great depth. These ore bodies lie in volcanic rocks and geologically the formation is perfect for large deposits of copper.

Will Diamond Drill

The company is now figuring that they have a property of commercial importance, and are preparing to start additional diamond drilling in order to gather sufficient data to determine the position for the installation of a permanent working shaft. Permanent camps were built on the property during the winter capable of housing 50 men and the buildings consist of a bunk house, cook house, dining room, office building, warehouse, barn and blacksmith shop.

An excellent automobile road runs from the town of La Sarre to the property four miles distant and electric power has been generated on the river which corners the property, that supplies the town of La Sarre with its lighting system. This power plant can easily be increased to supply the needs of a mine.

It has not yet been decided by the company whether a separate operating company will be incorporated on this property or future operations will be carried on by Norrington Development Co.

Farmers Get High Prices for Farms

Bunker Hill People Paid as High as $55,000 for Holdings

The advent of the Bunker Hill-Sullivan operations was a good thing for the farmers whose properties took in the part of the slate formation area in which the company was seeking properties. The farmers who sold the Bunker Hill people got unheard of prices for their farms. The highest paid was to Mr. Bradley, $55,000, while two others received $50,000 and several others from $15,000 to $25,000.

Some of the farmers have erected excellent homes in Chelmsford. While many of the farms will not be in use for some time by the mine, many of the farmers are moving the buildings off. Others are being allowed to live in the house, but cannot carry on any farm operation, not even to allow the cattle to graze.

HEAVY STAKING AND BUYING OF CLAIMS IN SUDBURY AREA

Much Interest in Report That New Interests Are After Nickel Claims

The developments in Sudbury nickel-copper area coming quickly on the heels of the finding of a rich lead-copper-zinc deposit in the Sudbury basin, has created quite a boom in Sudbury mining properties.

Heavy staking has been going on in the lead-zinc sections, and an increasing amount of attention is being directed at the nickel area.

When the writer was in Sudbury recently he was informed that there were outside interests going the rounds seeking options and discussing prices on nickel properties. This was welcomed by many. With only two companies operating in the field, the competition for nickel properties has not been keen, with the result that only those of indicated merit have been tested out. Many Sudburians contend that there are as good nickel properties untouched as these that have been developed.

It has been estimated that new stakings in the last two years have involved 12,000 acres and an almost equal acreage of patented farm land has been acquired under option within the past two years in the Sudbury mining division as a result of the recent revival of mining interest in the lead-zinc deposits of the Chelmsford basin. A feature of the mining activity here has been the widespread area in which staking has occurred.

Besides a dozen or more townships that may be included in the area enclosed by the Sudbury nickel basin, as many more townships outside this district have been affected. No such activity has been registered at the Sudbury mining recorder's office since the earliest days of the division.

Faith in the possibilities of the Chelmsford field continues to be reflected in the demand for supplies for prospecting parties who are leaving daily to commence their assessment duties. On mining land, except where work is prohibited, at least thirty days' assessment work is required on each claim before the fifteenth of July. In the event of failure to complete the work before that date the claim automatically reverts to the Crown and is thrown open for re-staking.

CHELMSFORD FACES BIG MARKET FOR FARM PRODUCTS

Farming Community in Sudbury Basin Faces Prosperity from New Mines

Chelmsford, Ontario, really a farming community, some nine miles west of Sudbury, little known until recent years, promises o-day to come to the front as one of the most active agricultural centres in the country. The reason for this is that the farming area of the section is limited and promises to become more so because of the inroads of mining, while the expansion of mining is certain to result in a tremendous market for the products of the farms.

Chelmsford is really located in a basin. This basin is quite limited in area. The whole country is rock, but this agricultural section is evidently due to glacial drift which was deposited or washed down over the rocks many feet deep.

This has been a deterrent to mining, because of the overburden and has made for an excellent farming area. There are many fine farms in the section and most of the farmers are French-Canadian pioneers, who have proven to be among the best settlers in the country.

The invasion of the mines has resulted in many farms being purchased at attractive prices. Some farmers think they were lucky in getting such a price while others, who have not sold, consider that they are the lucky ones as they will have their produce to sell and a real market close to home. Being intensely interested in farming, they are more content to remain unmolested among friends and enjoy the fruits of new prosperity which it seems certain the mines are to bring to their door in a heavy increased demand for farm products.

Chelmsford is a busy little community and gives indications of becoming more so as the section surrounding it proceeds to give up its base metal hoard.

What is Doing in Regard Duprat Co.?

It is reported that Duprat directors have held a couple of meetings of late but no announcement has been forthcoming. Meanwhile it is said that work being carried on by Duprat on their Montbray properties have revealed indications of such a nature that the company is making arrangements for other properties. It is rumoured that the company has also had various properties in Kamiskotia examined by their engineers. It seems that there must be something doing because of the directors' meetings and the fact that the engineer has been called in conference. One of the officials said that the directors were determined that Duprat would be a mine and were doing everything in their power to make the same a reality. He would add nothing nor confirm nor deny the talk of a reorganization.

D. S. Paterson and Company

Members Standard Stock and Mining Exchange

wish to announce that they have moved their offices from the Royal Bank Bldg.

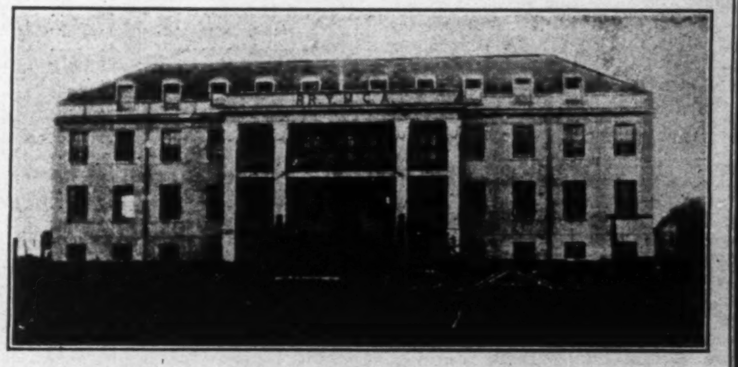
to

21 Richmond St. W Toronto

The ground floor adjoining the Standard Stock Exchange

TELEPHONES
Elgin 7211 to 7216

The improved facilities of our New Board Room are always ready for your service



The Railroad Y.M.C.A., Capreol, Ont.

CAPREOL ONT.

A New and Promising Prospect in a Great Mining Section

CAPREOL is entirely surrounded by the nickel-copper formation whose marvellous possibilities have thrown such a surprising new light on the vastness and richness of the ore bodies of this territory. In close proximity are numerous outcrops and properties, situated on what is called the north range, that seem to hold great promise. The geology is right. Their potential richness is unquestionable. All that is required is capital and work. All follow the same formations that have made other of the great mines of the section. The variety of ore that appears in paying streaks is remarkable. Lead, Zinc, Gold, Silver and Copper are all found within a radius of three miles of the town. Some recent gold discoveries of high assay value have been located in Norman Township, within a mile of the town. Other important finds have been made in Hanmer, Wisner, Parkin, Hutton, MacLennan and Scadding Townships.

The vital point of these discoveries is their close proximity to Capreol, the railway divisional point of the section. It would only require short spur lines to give access to any of these properties so that their development is relatively easy.

Anyone interested will be gladly supplied with full information on application to

A. Brundage, *Town Clerk*
Capreol, Ontario

Fiske Gold Mines Limited

INVESTORS are invited to make the most thorough investigation of the administration, field operations, plans and personnel of Fiske Gold Mines, Limited—in accordance with the sound investment principle "Before You Invest—Investigate."

It will be found that Fiske represents an opportunity in mining in North-Western Quebec backed by men of experience and acknowledged standing, and now enhanced by aggressive and convincing operations and finds in the field.

You may be kept in prompt touch with activities at the properties on request to

41-42 Carleton Chambers,
OTTAWA

KEELY SILVER CUT COSTS MATERIALLY; DIVIDEND EARNED

Annual Report Shows Enterprise Held Well Under Low Silver

The production of fine silver at the Keeley Silver Mines for the year ended February 28th, 1927, was 1,640,007.96 ounces, compared with 1,514,407.48 ounces the year previous and 1,880,351.88 ounces two years before. The amount of cobalt produced during the year was 185,830 lbs., compared with 181,054 lbs., the year previous and 228,450 lbs., two years before.

Gross earnings amounted to $1,042,259.10 slightly less than in the previous year, when they were $1,144,374, on account of lower prices of both silver and cobalt, but the net profits at $538,698.32 were more than sufficient to pay the dividends and the net surplus was increased by $12,208.50 over the corresponding figure at the end of February, 1926.

The cost of production, per fine ounce, including all expenses other than capital expenditure of $3,987.47 was 29.16 cents per ounce, or, including capital expenditure, 29.41 cents per ounce, says the report of President F. H. Hamilton. The cost of production per ounce during the previous year was 30.44 cents or, including capital expenditure, 30.83 cents per ounce.

Cash on hand and in banks amounted to $248,330.32, according to the balance sheet and investments in bonds, at cost, were $946,243.75 as compared with $850,194 the previous year. Estimated net recovery from ore and concentrates shipped or ready for shipment to smelter was $168,292.80, accounts and interest receivable, $12,779.94 and inventory of supplies, $25,588.01. The value of mining claims, property, goodwill, etc., was unchanged at $1,491,092.27 and mill and camp buildings, plant, etc., less depreciation reserve of $226,538.00, was put in at $149,952.29. Shares in other companies at cost amounted to $19,490.59 and prepaid and deferred charges, $6,160.39. Total assets were $3,067,930.36, compared with $3,089,388 the year previous.

Liabilities consisted of accounts, wages and accrued charges payable, $25,178.23, dividend No. 9, payable provincial and Dominion taxes, $82,026.80, capital stock issued, March 15, $240,000, reserve for $2,000,000 and surplus, $720,725.33.

Silver and cobalt recoveries, including the estimated recovery from ore and concentrates shipped or ready for shipment to the smelter were $990,963.35. Bank and bond interest earned was $50,688.21 and other earnings amounted to $607.54. Expenses at the mine, including administration there, together with shipping and marketing charges were $430,639.87. Reserves for taxes amounted to $39,572.33 and other expenses, $33,348.58. The reserve for depreciation set up this year was $55,875.42.

"The most important developments during the period under review were those obtained in the western part of the property more particularly in No. 28 vein at the 11th level, 820 feet below the collar of No. 3 shaft," said J. Mackintosh Bell, managing director, in his report. "In this locality three shoots of ore, having an aggregate length of 166 feet and an average assay of 1,800 ounces over 6 inches, were developed. One of these shoots has been followed downwards, by means of a winze 75 feet deep and good ore persisted to a depth of 58 feet. Development is now proceeding at the 12th or 895-foot level.

"The total ore reserves opened up in the mine as at February 28th, 1927, are estimated at approximately 22,000 tons, containing about 1,091,000 fine ounces of silver and 74,000 lbs. of cobalt. These figures make no allowance for the new ore being developed from the bottom of the winze 75 feet below the 820-foot horizon.

"The physical condition of the mine is good and the ore reserves, although diminished, are, nevertheless, in a healthy condition, largely on account of new discoveries made during the year. It is felt that the possibilities of the property, as regards the finding of new ore, are by no means exhausted; on the contrary, there is reason to hope for further remunerative results as the exploration, constantly in progress, proceeds."

INCOME AND SURPLUS ACCOUNT
Year Ending Feb. 28

	1927	1926	1925
Gross revenue	$1,042,259	$1,144,374	$1,428,874
Less:			
Development costs, etc.	430,640	406,326	482,593
Expenses	33,349	36,352	37,282
Taxes	39,572	56,780	73,692
Depreciation	55,875	55,161	52,339
Written off shares	....	7,499	....
Profits	$ 482,823	$ 582,256	$ 782,968
Dividends	480,000	480,000	480,000
Surplus for year	$ 2,823	$ 102,256	$ 302,968
Previous Surplus	708,516	606,260	303,292
Tax adustment	9,386	....	....
Profit and Loss surplus	$ 720,725	$ 708,516	$ 606,260

SUMMARY OF BALANCE SHEET

	1927	1926	1925
Assets—			
Mining claims, properties, etc.	$1,491,092	$1,491,092	$1,491,092
Mill and camp buildings, machinery, etc.	376,490	372,502	367,736
Less depreciation reserve	226,538	170,662	116,660
	149,952	201,840	251,076
Total	$1,641,044	$1,692,932	$1,742,168
Cash	248,330	226,779	317,571
Dominion, provincial and railway bonds	946,244	850,194	653,344
Net recovery from ore	168,293	270,878	231,860
Accounts and interest received	12,780	18,236	15,094
Inventories and supplies	25,588	24,276	25,269
Other company shares	19,491	1	....
Deferred charges	6,160	6,092	6,268
Total assets	$3,067,930	$3,089,388	$2,991,574
Liabilities—			
Capital stock	$2,000,000	$2,000,000	$2,000,000
Dividends	240,000	240,000	240,000
Accounts payable, etc.	25,178	29,412	30,673
Reserve for taxes	82,027	111,459	114,642
Surplus	720,725	708,517	606,259
Total	$3,067,930	$3,089,388	$2,991,574

MINING STOCK QUOTATIONS
Week Ending June 14

	Par. Val., $	Div. Rate	Yield	High for wk.	Low for wk.	Close June 14	Sales for wk.	Range, 1926 High	Range, 1926 Low	Range, 1927 High	Range, 1927 Low
Abana	.	..	..	.70	60	60	5000	...	...	75	20
Aconda	.	..	..	23	20	20	14200	...	...	45	20
Allied M.	.	..	..	..	..	..	...	...	...	5.51	2.70
Al. C. M.	.	..	..	3.65	3.30	3.30	2075	...	...	3.60	301
Amos	.	..	..	..	...	..	...	..	..	56	15
Amulet	1	..	..	2.14	1.90	2.06	307739	2.98	.90	2.89	.85
Algonquin	1	..	..	4¼	3¼	3½	111000	6¼	1¼	5¼	2
Apex	1	..	..	..	..	..	.....	6	2¾	3½	1
Area	1	..	..	48	41	41	155500	1.55	.21	1.95	.23
Argo Con.	1	..	..	45½	35	35½	350475	67	18½	59	33
Atlas	1	..	..	5⅝	4¾	5	80300	5	1⅞	7	2
Archean	.	..	..	18	17	17½	180	..	..	18	17
Ajax	.	..	..	..	..	..	...	...	...	39	6½
Andean	.	..	..	19	15	19	9000	...	...	22½	15
Bard	.	..	..	1.02	8c	1.02	5425	...	...	1.59	.30
Baldwin	1	..	..	2¼	2	2	18000	6⅞	1	4¾	2
Barry Holl.	1	..	..	35	33	34	24700	1.00	.21	1.00	.25
Beaver	1	..	..	1.16	1.04	1.05	6300	.99	.51	1.22	.59½
Belleilen L.	1	...	..	3½	3½	3½	2000	23½	20	23½	3½
Bidgood	1	..	..	15	12½	13½	76150	9⅝	4½	12	5
Boischatel	.	..	..	7	4	6½	3360	...	...	27	3
Boston Creek	1	..	..	..	..	..	....	7½	2½	1	½
Bourlamaque	1	..	..	..	..	..	.....	1.45	1.02	1.53	.50
Buckingham	1	..	..	5	4	4½	30600	7¾	2	9½	3⅛
Bunker H.	.	..	..	100	95	100	280	...	...	100	75¾
Calartic	.	..	..	..	..	..	...	...	...	1.00	.94
Can. Lorrain	1	..	..	25½	24	25	5435	93	57	72	20½
Capitol S.	1	..	..	20	17	17½	22200	48½	24	34	15½
Capitol R.	.	..	..	17½	15	17	77300	43	26	54½	12½
Cen. Manitoba	1	..	..	1.60	1.50	158	19425	...	...	1.90	1.07
Castle Tre.	1	..	..	86	83	84	16550	1.85	.91	1.27	.80
Chaput H.	1	..	..	9¾	9	9	18000	22	3⅛	13¾	4⅝
Clifton	1	..	..	..	..	..	.....	6½	1	8½	1
Col. Kirk	1	..	..	3	2¼	2½	51900	6¾	2	6	2
Coniagas	5	..	..	3.25	3.00	3.20	560	4.85	3.00	4.40	3.20
Coniaurum	5	..	..	3.00	2.95	3.00	400	4.60	3.00	3.50	2.80
Cons. Smelter	25	10+5	2.40	248	244½	244¼	2137	265	177¼	264	242
C. W. Dome	1	..	..	8	6¼	7	82800	29½	14	19	5¾
Corona	1	..	..	17	14¼	14¼	119450	37½	20	37	11¾
Copper Hill	.	..	..	57¾	56	56	32100	...	...	57¾	47
Comm. Mines	.	..	..	1.33	1.20	1.33	59610	..	..	1.33	.71
Crown Res.	1	..	..	13¾	11½	13	39250	24⅛	8	15¼	7
Coast Copper	.	..	..	17.75	16.00	16.00	1240	..	..	22.00	16.00
Davidson	1	..	..	..	..	..	...	3	1½	3	1
Destor	.	..	..	..	..	..	...	41	40	43	40
Dorion	.	..	..	4.00	3.50	3.90	2580	...	...	4.00	3.00
Dome Mines	None	$1	13.51	7.60	10	10	2245	20.00	8.00	10.85	7.35
Don Rouyn	1	..	..	27	24	24½	4890	61	25	56½	17½
Duprey	1	..	..	..	..	..	....	..	..	10	10
Duprat	1	..	..	11¾	10	10	101750	35½	8½	34½	7⅛
Dubec	.	..	..	1.00	.78	98	119650	..	..	1.00	85
Dom. Lead	.	..	..	1.35	1.29	1.33	10650	..	..	1.35	1.05
D. Kirk	.	..	..	2¾	2	2	11400	...	...	2¾	1½
Dunwell Mines	.	..	..	1.51	1.51	1.51	500	...	...	1.51	1.50
Eastern M.	.	..	..	10.20	10.00	10.00	1275	...	...	10.20	10.00
Everett	1	..	..	2½	2½	2½	350	12¼	3¾	5½	2¼
Fiske	.	..	..	12	10	12	4000	16	12	30½	5
Fisher, Que.	1	..	..	..	..	..	..	..	..	85	74
Foothills	.	..	..	2.90	2.60	2.60	2375	..	..	3.25	2.60
Goldale	1	..	..	25½	22½	22½	16300	43	24	30	20
Gold Hill	1	..	..	32	25	30	110900	73½	25	54	26
Gold Reef	1	..	..	1¼	1¼	1¼	1000	5	1	2½	1
Gifford	1	..	..	..	..	..	...	..	..	1¾	1
Gladstone	10	..	..	..	..	..	...	..	..	29	26½
Grover Daley	1	..	..	15¼	10½	12½	63050	32	18	37	9½
Gold Ore	.	..	..	1.01	.90	99	20825	..	..	101	.90
Harvie Exp.	None	..	..	14¾	12⅞	14	6890	..	..	16	12
Hillcrest	100	6	10.00	65	65	65	10	65	55	65	60
Do. pref.	100	7	8.23	..	..	..	...	83	79½	87	84
Haultain	.	..	..	..	..	..	......	..	..	15	14
Hill Top	1	..	..	13	11	11	15800	31¾	20	24	10
Hollinger	5	26	6.60	19.90	19.60	19.65	14717	21.00	16.65	22.65	9.60
Howey Gold	1	..	..	72	66	66	7785	..	..	75	42
Huron	.	..	..	1.09	1.06	1.06	2305	...	...	1.09	1.02
Indian	1	..	..	..	..	..	...	14½	2¾	11	4
Int. Nickel, c.	25c	$2	3.05	71⅞	64	65½	93221	46	32½	75	38
Jay Copper	.	..	..	..	..	..	...	1.10	.73	1.26	1.04
Keeley	1	24	18.46	1.33	1.26	1.30	75913	1.90	1.39	1.66	1.17
Keora Mines	1	..	..	4¾	3¾	3¾	18200	22	11	12½	3¾
Kirk. Hunt.	1	..	..	19½	17	17	32400	34	8½	35	14
Kirk. Lake	1	..	..	1.46	1.34	1.34	32170	1.44	.69	1.54	.82
Kamisko	.	...	..	8.50	8.00	8.25	400	..	..	8.50	7.62
Lake Shore	1	40+10	2.52	19.90	19.40	19.80	3190	16.15	9.50	21.10	15.40
Lakeside L.	1	..	..	1¼	1⅛	1⅛	32900	10	1⅛	6	1⅛
Laval	1	..	..	29	24	24	141800	45¾	21	55	19½
La Rose	1	..	..	6	6	6	500	39	4	12	6
Lorrain C.	1	..	..	1½	1½	1½	8000	15	2	3¼	1¼
Lorrain, T. L.	1	..	..	80	75	75	6700	1.10	30	.86	.25
Lucky Jim	.	..	..	..	..	..	...	..	..	21	20
McDougall	.	..	..	42	35	35	64700	..	..	42	17
Marclay	1	..	..	..	..	..	...	35	30	42	34½
Mt'tchatell	.	..	..	36	32	35	97200	..	..	36	30
Macassa	1	..	..	23	20½	23	16500	43	25	37	19½
McKinley	1	..	..	17½	16	16	21700	26	8½	18	11
McIntyre	5	20	4.00	25.40	25.00	25.25	3967	29.75	22.70	27.50	24.00
Millcrest	1	..	..	6	5¾	5⅞	7500	21½	3½	6½	4
Mining Corp.	5	12½	..	3.50	3.25	3.25	8155	4.45	2.60	3.65	2.90
Moneta	1	..	..	10	10	10	1000	18	11	14	8¾
Montreal Rouyn	1	..	..	13½	12	13	24200	60	13	33	10
N. A. Dev.	.	..	..	1.80	1.55	1.65	15550	..	..	2.10	1.00
N. A. Lead	.	..	..	2.65	2.40	2.46	61050	1.75	1.50	2.65	1.71
Noranda	None	..	..	22.75	22.30	22.30	22973	24.75	12.00	25.00	19.95
Newray	1	..	..	..	..	..	...	45	31	34	28
Night Hawk	1	..	..	7	6	7	20100	17	3¾	10½	4½
Nipissing	5	6	5.35	5.95	5.50	5.60	4630	9.25	4.95	10.30	5.90
Ophir	1	..	..	1½	1¼	1½	9000	4¼	½	4⅝	1
Ontario	.	..	..	1.20	1.18	1.20	3600	...	...	1.20	1.03
Osisko	.	..	..	56	50	50	7100	1.94	1.05	1.75	.40
P. L. Cobalt	1	..	..	5	3½	3½	20000	32	14½	18	3½
Porc. Crown	1	..	..	5½	5	5½	25500	12	4	11	5½
Prec. Met.	.	..	..	20.50	20.20	20.50	685	..	..	20.50	20.00
Pioneer	1	..	..	20.50	85	85	2700	1.22	.66	1.18	.85
Premier Gold	1	32	1560	2.10	2.03	2.05	12720	2.75	1.83	2.30	1.86
Preston	1	..	..	5¼	4¼	4¼	20700	9⅞	4	6	3
Potter Doal	.	..	..	27	18	18	41100	..	..	65	24½
Power & Mines	.	..	..	1.70	1.00	1.00	1400	..	..	1.70	1.00
Que. Pros.	.	..	..	..	..	..	......	..	..	6.00	3.95
Rouyn C.	.	..	..	4.25	3.90	4.25	7850	..	..	4.25	2.50
Rouyn	1	..	..	3	1½	3	900	9	1⅞	5	1¼
Rouyn, Que.	1	..	..	1¼	1	1¼	1000	4½	1¼	4⅜	1
Ribago	.	..	..	30	18	23	55100	...	...	87	13
Silver L.	.	..	..	1½	1	1½	4000	..	..	1½	1
Siscoe	.	..	..	25	21	25	6300	..	..	25	15
South Keora	1	..	..	..	..	..	...	35½	5	61½	10
Stadacona	None	..	..	19	16	16¼	227150	51	40	55	18
St. Anthony	.	..	..	30	28½	30	4000	..	..	37	10
Sylvanite	1	..	..	3.95	3.75	3.75	2750	..	..	4.30	2.60
St'damac	.	..	..	30	30	30	100	..	..	38	36
St. L. Zinc	.	..	..	74	72	74	2100	..	..	74	72
Teck Hughes	1	10	1.28	7.99	7.45	7.77	54890	5.55	2.65	8.10	5.35
Timiskaming	1	..	..	..	..	..	...	15¼	6	7	5
Thomp. Krist	1	..	..	..	..	..	...	3½	1	1	½
Tough Oakes	1	..	..	57	50	51½	186330	66	36	62½	38
Towagmac	1	..	..	4.25	3.95	3.97	29679	6.10	3.15	5.75	2.85
United Cap.	.	..	..	4.75	4.00	4.75	9500	..	..	4.75	3.10
Vic. Silver	1	..	..	4½	4¼	4¼	13500	96	3⅛	14	4¼
Vickers	1	..	..	45	40	40	1700	1.22	.13	1.52	.35
Vipond	1	..	..	1.10	90	1.00	108798	2.02	1.49	1.75	.90
Waite Mont.	.	..	..	..	..	..	...	..	..	8.75	5.95
Wakenda	1	..	..	..	2½	2½	2500	2¾	1	5	2
Wasapika	1	..	..	1	1	1	4000	4	1	2	1
West Tree	1	..	..	3	3	3	2500	4	2	4	2
Wettlaufer	1	..	..	4¾	4	4½	15000	10	2	4¾	2
Wigwam	1	..	..	..	..	..	...	32½	4	4	3
Wright Har.	1	37½	..	5.95	5.70	5.70	29525	10.00	7.75	12.1	9.35
Do., new	.	..	..	..	..	..	...	..	..	6.65	5.75
Vac. Gas	.	..	..	16½	13	13	8200	..	..	26	3

Clericy Mines Appoint Walker as Engineer

Clericy Mines announce this week the appointment of Miles Walker, M.E.I.C., C.E., M.E., as resident engineer in charge of its eight properties in Dufresnoy and Clericy townships in Northern Quebec. Mr. Walker while a comparative stranger in Canadian mining circles has had a very wide experience in the mining fields of Africa and Asia and is particularly conversant with pre-Cambrian geology

It is his intention to vigorously prosecute development work on the Chutes property of the company to thoroughly explore the ground on the Dufresnoy-Clericy line adjoining the Archean operations on Lake Savard, on a 1,000 acre block adjoining Copper Hill Mines on the west in Dufresnoy township and on a group of claims lying across the Kenojevis River to the east of the railway.

ARGO FINANCING RAISES $400,000

Company Will Use Capital to Carry Development Work to Depth

Finaancial arrangements have been made to strengthen Argonaut's position and to provide for further development at depth

At a directors' meeting it was proposed to call the general annual meeting of shareholders for June the 29th and then recommend to raise the capitalization of Argonaut from 3,500,000 shares (all issued) to 5,000,000 thus placing 1,500,000 shares in the treasury of Argonaut. After approval from the shareholders it has been decided to offer rights of subscription to all present shareholders with the right to subscribe to one new share against three shares already owned. This will mean the issue of 1,133,333 shares leaving in the treasury 366,667 shares.

The price asked for this allotment is 30c. net and certificate of rights to subscribe will be mailed to all shareholders the day following the general annual meeting that is June 30th and will be good until July 20th, 1927.

In the meantime, the total issue of 1,133,333 shares has been subscribed by a strong financial syndicate at the same price of 30c. per share net to the treasury but the shareholders have the first call on the stock thus giving them the privilege to secure Argonaut shares at a price which the directors think very low considering the assets of the company—a property developed to 1,250 feet with a mill in operation and everything in the best of condition.

The syndicate has underwritten the whole of the 1,333,333 shares, subject to reservation, as they will only get whatever is not taken by the shareolders. This means to say that on the 20th of July, 1927, Argonaut will have $400,000 in its treasury.

PRIVATE HOLDERS RETAIN 50% OF NICKEL PROSPECTS

Two Big Companies Have 90 Per Cent. of the Proven Properties

Hon. Chas. McCrea points out in his article on the front page that there are possibilities for other nickel companies in the Sudbury area. Many are under the impression that the two nickel companies control all the possible area. This is a fallacy. One Sudburian, who was spoken to on the subject, said that the nickel companies own or control 90 per cent. of the proven properties but do not control fifty per cent. of the prospects.

There are about six contact zones passing around the Sudbury bowl. The outside contact, that of the norite with the basic rocks is the nickel bearing zone. The point has been raised as to whether or not that zone dips under the others and outcrops again on the north side. The same formation under much the same conditions, appears on the north edge of the bowl. This, many argue, indicate possibilities of finding just as good nickel deposits as have been found to date and they point to the Levack which is on the north range as an evidence of this.

Creighton mine, the most famous of all the nickel producers is west of Coppercliff and within one and a half miles of Chelmsford, Northeast of Creighton is the North Star. Old Victoria on which the Mond started is west by south from Creighton. West of this again is the Worthington which has again opened up well for the Mond people and is referred to by Sudbury people as a wonder mine. Its ore was very rich. It has come back strong again, the latest level to be started giving excellent results. Frood Mine is direct north of Sudbury, while the Murray Mine which was owned by British American Nickel lies in between it and Coppercliff. To the east is the Garson Mine while northwest of the Frood is the Levack, some 25 miles away.

HARVIE SHARES RISE AFTER VISIT

Operations Proceed Vigorously on Several Different Locations of Company

From Our Own Correspondent.

MONTREAL—The heavy buying which has made Harvie Mining a feature of trading ever since the recent inspection of the company's properties sent this issue to a new high record on the Montreal Curb Market this week.

At 14.75 Harvie showed an advance of over 2.25 as compared to the level of 12.50 at which it sold last week.

Reports of steady progress continue to come from the operations at Clericy. The Harvie-Thompson shaft drift at the 125 foot level is being pushed forward at a total average of 10 feet per day, both to the north and south. On the north segment of the drift, a cross-cut is planned for the coming week from which important developments are expected. The southern drift is being pushed forward another 25 or 30 feet before cross cutting.

From the Harvie also comes word of steady progress. The adit here has penetrated nearly 600 feet. The main ore body is estimated at 800 feet from the portal and developments on this operation are therefore now reaching a point of the liveliest interest.

At the Ringrose, the shaft being down one hundred feet, work has been temporarily stopped while repairs are made to the hoisting machinery. Within a few days a station will be cut and cross cutting begun to determine the attitude and width of the ore body at this level. It was from this shaft that samples, running from $4.80 to $6.40 in gold and sometimes over $20 in copper and zinc were recently taken.

In the meanwhile, parties engaged in surface exploration continue to report new discoveries. Some idea of the extent of the Harvie operation may be gained from the fact that the two most recent discoveries, one 4½ miles to the north of the company's main workings and the other 2½ miles to the south, are separated by approximately seven miles from one another, although both lie within the belt which is now coming to be recognized as definitely established at approximately 1,800 feet from the granite contact.

According to Frank R. Leland, manager of the Laminated Materials Co. Ltd., at New Westminster. Captain Charles Lindburgh's plane has panels of British Columbia cottonwood, manufactured by the New Westminster concern.

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Extract
from
Montreal Star
of
June 11th

Cora Places Contract for Diamond Drilling

MICHIPICOTEN HARBOR, Ont., June 11.—(Star Special.)—A contract for diamond drilling has been let to the Sudbury Diamond Drilling Company by Cora Gold Mines, Ltd., and drilling is expected to be under way on the claims immediately. This work is a further step in the campaign of development on a very promising property which adjoins the well-known Jubilee claims of Pioneer Mining Corporation, Ltd.

Surface work has produced excellent results on the Cora claims and the huge break which is a feature of the Pioneer claims has been picked up on the Cora with a width of about 35 feet, with fine assays having been returned from the sampling of the zone, it is stated.

Plans of officials call for shaft-sinking as soon as the diamond drilling has been completed, with the erection of a mill an early objective.

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Sudbury, Ontario

Hand-to-Mouth Buying is Not Unmixed Evil

Brings Stability to Business and Strengthens Retailer

TEN REASONS FOR IT

Not New Development, But Has Been Coming For Many Years

By **FLOYD S. CHALMERS,**

Managing Editor, The Financial Post. Extracts from address before convention of Canadian Booksellers and Stationers.

Hand-to-mouth buying is a business development that is still in the problem stage. We have not yet discovered what will ultimately be the place of hand-to-mouth buying in business; whether it will disappear along with the cash drawer that tinkled every time a clerk opened it to make change or whether it is as firmly engrafted upon the superstructure of business as the modern warehouse or motor truck delivery.

I have found at least ten factors that have been operating to stimulate the tendency to hand-to-mouth buying. I think that at one time or another, by this writer or that, each of these reasons has been set down as the one and only factor in hand-to-mouth buying. I am going to set them all down because I think that each one of them has played its part.

They may be briefly summarized as follows:

1—The lessons learned by distributors in the drastic price decline of 1920 and 1921.

2—The downward trend of prices that is still evident today.

3—Recognition by the retailer that his job is selling merchandise and not speculating in commodities.

4—The modern tendency of shifting the burden of carrying stocks back towards the centre of production.

5—Shortening of the delivery period through better transportation methods.

6—The mania (sound enough up to a point) for turnover.

7—The fact that production is ahead of consumption. We are in a buyer's market.

8—Encouragement of small orders by manufacturers out to get business at any cost.

9—Constantly changing styles and fashions.

10—Improvement in stock control methods in retail stores.

Some Points in Favor

Hand-to-mouth buying is not an unmixed evil. There is much to be said in its favor. Much has indeed been said in its favor by writers, bankers and business leaders whose views must be regarded as being of the highest authority.

The Metropolitan Life Insurance Company called a conference of business leaders to discuss the subject. Some 250 manufacturers, jobbers and retailers came to the conference. The conference, after discussing the subject, decided that the balance was on the right side of the ledger. They even suggested that there should be a new name for hand-to-mouth buying, something a little less suggestive of improvidence. They did feel, however, that in some lines hand-to-mouth buying has been overdone and is adding to the costs of doing business.

Let us discuss some of the advantages that are either claimed or apparent for hand-to-mouth buying.

Stabilizes Business Trend

There seems to be little doubt that hand-to-mouth buying tends to give greater stability to business. Some economists declare that it will ward off business depression. Others put it another way and say that it will eliminate the business cycle. Certain it is that small-order buying is to be preferred to over-buying. Over-buying brings terrible evils in its wake. A period of over-buying pyramids paper orders until the whole structure topples over. If hand-to-mouth buying does away with commodity speculation, it will enable the retail merchant to control prosperity. A survey of 150 outstanding business firms in the United States revealed that 89 per cent. of them were convinced that hand-to-mouth buying has a stabilizing influence on business, tending to diminish peaks and depressions.

A second advantage is that hand-to-mouth buying tends to bring the producer and the consumer into closer relations. The producer is in more frequent contact with his distributors and this enables him better to judge of public demand and taste.

Hand-to-mouth buying reduces the amount of capital tied up in the process of distribution. If the jobber is carrying smaller stocks and the retailer is carrying smaller stocks then obviously the amount of banking credit required to finance the distribution of merchandise is considerably reduced. The saving in interest charges is tremendous. The saving in credit losses is equally valuable.

Reduces Amount of Needed Capital

Hand-to-mouth buying has helped to restore to the jobber, especially to the jobber in the smaller centres, some of his lost prestige and importance in the scheme of distribution. If the merchant is to carry smaller stocks he must have stocks somewhere close at hand to draw upon and the logical person to carry those stocks is the jobber. Of course, the chain store remains an exception to this rule for the chain store does its own jobbing. Hand-to-mouth buying, to the extent that it is eliminating direct buying, is saving the jobbing trade, in the opinion of many students of this subject.

Less Need for Schedules

While hand-to-mouth buying has made the planning of schedules more different in factory production it has also made them less necessary. Hand-to-mouth buying, which distributes demand more evenly over the different seasons, has a tendency to put factories on more even and stable production schedules.

For instance, machine tool manufacturers think a sane compromise between manufacturers and merchants will eliminate the old "feast or famine" methods of production.

It has undoubtedly made the distribution of new items and changes more easy and has made it possible to change a new line very quickly. After my reference to the waste of constant change I hesitate to place this on the credit side of the hand-to-mouth buying ledger, but for manufacturers in many lines this is undoubtedly an advantage.

New Lines Help Business

Some sales managers have found that the influence of new goods has a stimulating effect upon every one engaged in distribution and brightens up retail selling generally. New lines do stimulate business; of that there can be no doubt. Hand-to-mouth buying, by enabling new lines to be brought out more easily, keeps selling on its toes.

And finally, as one of the advantages that we must set down to the credit of hand-to-mouth buying we should not overlook the fact that it virtually eliminates one of the most prevalent of trade abuses, the cancellation evil. When a man is buying only for his current needs he will not cancel orders upon which a factory production schedule has been partially based.

Some of the Disadvantages

So much for the "pros." There are "cons"—plenty of them.

The other day my wife asked me what I was going to speak on to-day. I said "Hand-to-mouth buying." She wanted to know what hand-to-mouth buying was. I tried to explain it to her in a few words. "Oh, I see what you mean," she said, "and is that the reason why I can never get what I want from the stores now? They are always out of stock of whatever I want. It is really most exasperating."

In that remark she struck out at one of the worst evils of hand-to-mouth buying. Merchants are carrying it so far that they do not stock a complete line. They are causing untold annoyance to their customers and losing sales to the merchants who do keep their ranges complete. You can standardize your stocks but you cannot standardize your customers, nor their tastes. If a customer does not find what she wants in one store she will often try another store before accepting a substitute. The loss in good-will from a considerable number of such disappointing transactions is deplorable.

The retail merchant is suffering in another way from over-emphasis of the hand-to-mouth buying idea. The number of salesmen taking up his time has multiplied to a really alarming degree. Specialty salesmen by the score call on him every month. No longer does he take the salesmen from the wholesale house up to his house for dinner on his twice-a-year visit. The twice-a-year visit is now a monthly or twice-a-month visit and represents only one of many calls from jobbers' salesmen, specialty salesmen, crew managers and so on.

Adds to Distribution Costs

All this has brought in its wake a third disadvantage: the increased cost of selling, which includes also the cost of warehousing and operating the general machinery of distribution. It costs the average wholesale house anywhere from $2.50 to $3 to handle an order. Each order goes through from 10 to 20 operations in the handling. Smaller orders have to go through practically the same routine as large orders. Some one has to pay the cost of these services. The increase in selling costs through hand-to-mouth buying is not to be overlooked in this era when we are striving valiantly to get down distribution costs.

Hand-to-mouth buying has given the manufacturer a very distinct problem in taking away from him the information that formerly enabled him to plan his production schedules six months in advance. A few years ago, the average manufacturer booked orders months ahead for at least two-thirds of the requirements of the retail trade. This did not apply to every line but, generally speaking—and I am speaking generally in all of these remarks—it was possible for the manufacturer to base his half year's plans upon the orders that his salesmen brought in on their semi-yearly tours. Now he can no longer do that. But before we shed too many tears for the manufacturer in his plight let us remember that the old system had its evils; such as peak selling seasons and seasons of sales depression; cancellation of orders at times when the manufacturer did not want them cancelled; credit losses; inventory price declines; idle factory periods, etc. In any event the job of estimating requirements has been thrown back upon the manufacturer who is the man best equipped to do that job. Now the salesmen do not set the factory schedule. Rather the directors set sales quotas.

There are many who fear that hand-to-mouth buying, if it persists, will prevent us from benefitting from the economies that have developed by mass production methods. Here again, though, I think the problem is one of adjusting production to the new buying habits and of turning the evil into an aid by leveling production throughout the year.

Is Hand-to-Mouth Buying Here to Stay?

Is hand-to-mouth buying here to stay? I think it is to be regarded as a development that is an integral part of our present revolution in merchandising methods. Many big bankers have expressed the opinion that current buying will be the normal buying practice of the future. I do not think we shall ever see an entire reversion to former methods of buying. We shall not see such a reversion because the former methods are not necessary. No merchant is now in danger of losing a season's trade through delayed transportation. No merchant under present production methods is in danger of having to go without goods for his customers. He does not have to order six months ahead and he will not do so. We will have to accept hand-to-mouth buying as a fact and make the best of it; take advantage of it where we can.

Of course it is being overdone. The pendulum has swung too far. But it will swing back.

Must be on Orderly Basis

So long as hand-to-mouth buying proceeds in orderly fashion; so long as buying is continuous and not spasmodic; so long as the merchant keeps his stocks controlled in such a way that they are complete as well as reduced to a comfortable minimum then hand-to-mouth buying must be regarded as operating for the general good of business. In fact it even reduces production costs and stabilizes business as a whole.

It must be controlled; it must be reasonable; it must not be an attempt by the merchant to make the manufacturer or jobber do more work without more pay. If the manufacturer and the jobber are going to do the work of carrying stocks and financing them and of assuming the general risks attendant upon these jobs the merchant will have to be prepared to concede to them a part of his margins. Small orders will mean smaller margins.

Hand-to-Mouth Problem Will be Worked Out

"There is no need to get hysterical on the subject of hand-to-mouth buying. It is only one of the many complex problems of the present day revolution in merchandising methods and it is not by any means the most difficult problem. We are gradually working out these problems and when we have done so the distribution methods we are now leaving behind will probably appear to us, in retrospect, to be as ridiculous and feeble as the first steam engine. We have passed through what has been primarily an industrial age and are entering the distribution age. If we bring scientific study and accurate knowledge to the solution of distribution problems, as we brought them to the examination of industrial problems, we will not be long in solving the difficulties that come before us."

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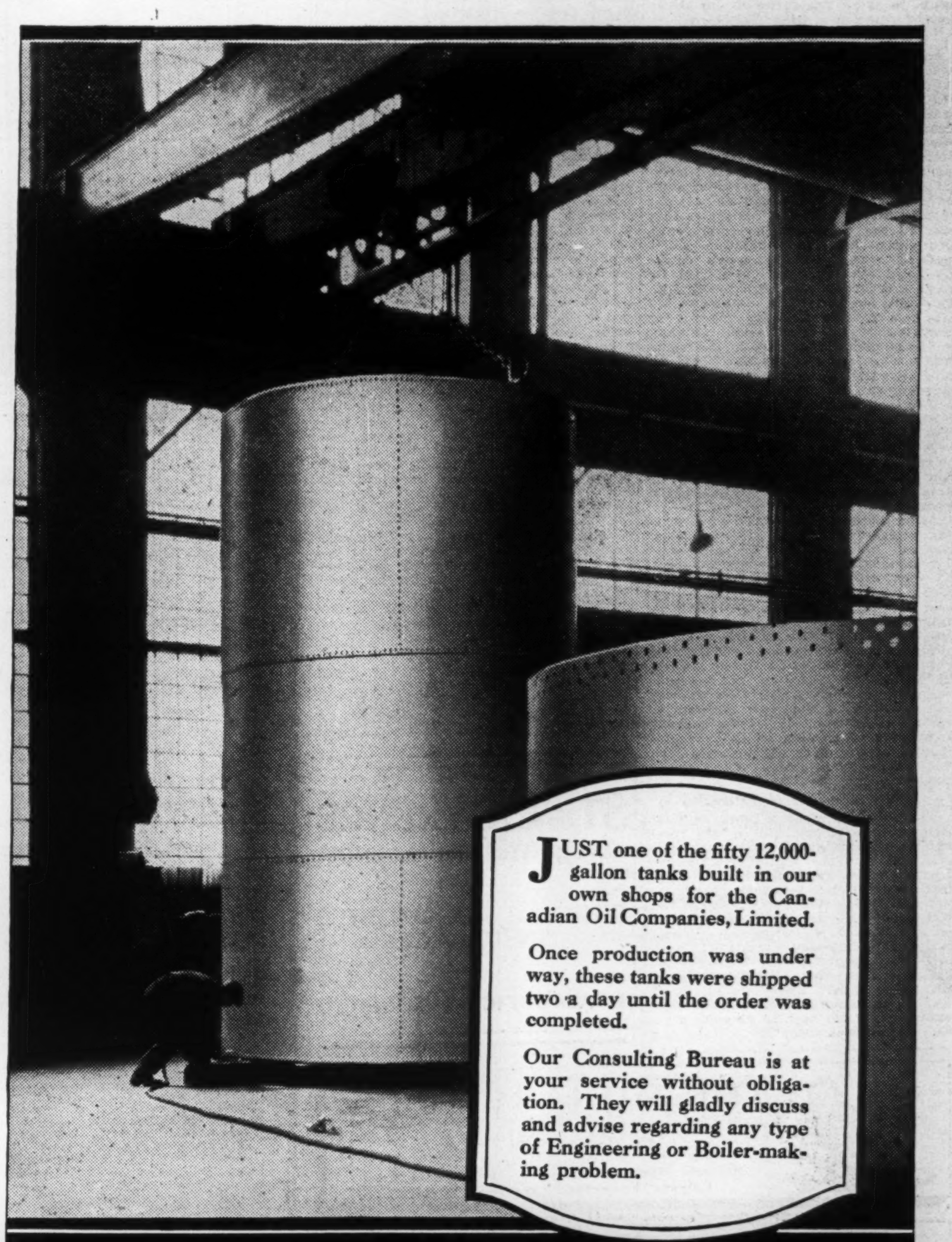

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Insurance for Buyer and Seller

Actuarial Congress Wants to Learn About Canadian Insurance

By ARTHUR PEDOE, F.I.A.,

Actuary, Continental Life Insurance Company. Special to The Financial Post. Sixth Article

LIVERPOOL, Eng.—As the time for the Eighth international Congress of Actuaries approaches, a few remarks in retrospect should be acceptable. These articles have attempted to give a background for the congress to the Canadian reader. The importance of the congress can be gauged by the publicity given to it all over the world. The congress meets in London, England, where the delegates will be entertained at the historic Guildhall. The Prince of Wales is honorary president and will open the congress, and the prime minister and the cabinet ministers, as well as the Lord Mayor, are honorary vice-presidents. The delegates will also be entertained by the Cities of Birmingham and Edinburgh. Thus in England the congress is treated as one of national importance.

It is interesting to know that, according to schedule, the Congress should have been held in Stockholm, Sweden. However, in the long interval since the last Congress, held in Amsterdam in 1912, the feeling grew up among the actuaries of the three great English speaking life insurance countries, namely, Canada, Great Britain and the United States, that a meeting to consider developments in their respective countries, would be of extreme value. As it was thought desirable to revive the International Congresses, a meeting in London, England, was agreed upon, as combining the various interests.

Seek Knowledge of Our Methods

The actuaries of England are specially interested in the various developments of life insurance, for which the North American continent is chiefly responsible, and which have been referred to in these articles—namely, disability benefits, group insurance and the insurance of Under Average Lives. Verbal discussion is essential to obtain the correct angle of viewing any practical subject and much good work will be done in the lobbies and informal discussions, besides the reading of papers. It must be remembered that conditions are different in Great Britain and the success of any plan of insurance on this side does not necessarily mean that it will succeed in Great Britain. However, both disability benefits and group insurance have been adopted by a small number of English companies, and the confidence which the personal contact with the actuaries responsible for these developments should inspire will mean that great developments in these two forms of insurance may be expected in Great Britain.

Another Canadian Introduction

An interesting illustration of how different conditions may give rise to different developments is in the matter of non-medical insurance, or where life insurance may be obtained without medical examination. This form of insurance was practised for a number of years in Great Britain, the insurance company obtaining a report from the applicant's medical attendant in place of a personal medical examination. When non-medical was adopted by the Canadian companies they realized the difference in social conditions in a changing population, which made a report from a man's doctor generally unsatisfactory, and used instead a report by an inspection bureau, who made enquiries from a man's associates and neighbors. Very recently an investigation into the results obtained by a number of Canadian companies transacting non-medical business for several years has been completed, showing very satisfactory results indeed. It will be appreciated that when a medical report from a man's medical attendant, who has been attending him for a number of years, is obtained, it can hardly be called "non-medical" and thus to Canada falls the honor of introducing the first true "non-medical" scheme of insurance.

As to the question of the insurance of "under average lives," if a life insurance company takes its work seriously—as a fight against dependency—and considers its work intimately bound up with the social welfare of the public, it follows that the greater the field to which it can extend its activities, the greater are the business and benefits it confers on the public. This field has been energetically developed on a scientific statistical basis in the past few years on this continent, mainly by co-operation between the various companies. It is this intimate cooperation between the life insurance companies of Canada which is such a feature of Canadian life insurance, and has reacted so favorably to the general good.

Differences Are of Principles

The great interest aroused in Great Britain in developments in life insurance on our continent is shown in a series of articles in the well-known financial journal—"The Statist," where a singularly well informed correspondent compares in great detail the practice of English companies as compared with Canadian and American companies as regards policy forms, policy conditions, settlement for premiums, etc. We venture to suggest that the difference lies in principles rather than details. If the English life insurance companies wish to extend their business to as wide a field as possible it is essential to make their goods as attractive as possible, and also to meet to a greater extent the needs of the field man, on whom falls the actual labor of selling the goods. Conferences between field men and head office executives are a regular feature of life insurance business on our side, where the field men en bloc can put their views before their head office executives. Such meetings are practically unknown among life insurance companies in England. Another fundamental principle is co-operation between the various life insurance companies, which as we have mentioned, is such an important feature of life insurance in Canada.

There is one item to be discussed at the Congress which should be of great interest to Canada in particular. It is the topic of "Social Insurance." The press have mentioned the adoption of gigantic schemes of compulsory life insurance and pensions by Great Britain. This latest addition follows the national health insurance scheme (compulsory sickness insurance) and unemployment insurance. Under this scheme, on the death of a workman his widow is paid ten shillings ($2.50) a week, with an additional amount for each child under 14. If the workman lives until age 65 he is paid a pension of ten shillings ($2.50) a week, for life, and his wife the same amount when she attains the age of 65. Thus the workman and his family are completely protected—in unemployment, sickness, old age and death. The insurance is compulsory on all manual workers, the cost being borne jointly by the workman, his employer and the state. The details of these schemes will be explained at the congress by the English actuaries responsible for them, and should deeply influence opinion as to the feasibility or otherwise of the adoption of such government schemes in Canada and the United States.

MANUFACTURES OF NON-METALLICS UP

Production Value Last Year Highest on Record for This Group

In line with the improvement in the metallic industries, manufactures of non-metallic products in Canada last year amounted in value to $186,261,756, an increase of 42 million dollars over the corresponding figure for 1925 and the highest figure on record for this group of industries; data for plants making cement, lime, salt and clay products, such as brick and tile, sewer pipe, etc., have been included in this industrial group. Altogether there were 1,230 plants in operation and the capital employed was reported at $257,515,104, an increase of 7.4 per cent. over 1925.

Practically every industry in the group showed a higher production value than in 1925. Output of petroleum products such as gasoline, fuel oil, lubricants and other products including fuel oil subsequently used again in cracking processes, amounted in value to 83.5 million dollars; coke and by-products showed a gain of over 4 million dollars to a total of $15,367,425; glass products were higher in value by 15 per cent.; products from imported clays gained 23 per cent.; asbestos and allied products 21 per cent.; cement products and sand lime brick, 13 per cent.; monumental and ornamental stone, 10 per cent.; artificial gas, 2.4 per cent.; and miscellaneous non-metallic mineral products, 7 per cent.

The Bureau of Statistics also reports an increase of 12 per cent. in the production of lime; 5 per cent. in the output of salt; 20 per cent. for firebrick and fireclay products; stoneware and pottery, 20 per cent., and brick and tile 10 per cent.; while the output of clay sewer pipe was valued at about the same figure as in 1925 and the production of cement was down by a million dollars or about 7 per cent.

Imports of products of this group totalled $152,687,995 in value during the past year, as compared with $138,100,676 in the previous year. On the other hand, exports amounted to only $27,113,032, an increase of about $3,000,000 over the preceding year.

At the National Jersey Cattle Sale in Trenton, N.J., a record price of $3,600 was paid for a 4-year old Jersey cow from the stock farm of S. H. Bull & Son, Brampton, Ont.

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Clifford Elvins

For the last week or so, papers in many parts of Canada and the United States have been running Clifford Elvins' picture and featuring the fact that yet another Canadian has been chosen to head up an association with membership on both sides of the line. He is the new president of the insurance advertising conference.

Mr. Elvins' activities as a seller of life insurance began in the Ottawa valley. His activities in and about Ottawa were so impressive that it was not long before the Canada Life manager in that district offered him a job in order to save his own territory and win this prominent young man for the old-established company. However he was soon moved to head office, where he became secretary to William T. Ramsay, who was then superintendent of agencies for the Canada Life. Two years later (in 1903) he received a promotion to the Pittsburg office, but once again this very aggressive young man chose to do something different, and a year later he left the company.

From now on his future lay in the hands of the Imperial Life, and at the instigation of Thomas Bradshaw, who had evidently been watching this rather hectic career, Clifford Elvins came to the London branch of the company in the role of agency inspector. Those were troublous times for the Imperial Life, at any rate as far as London was concerned, and very shortly after Mr. Elvins arrived at London, the manager committed suicide, with the result that the young inspector was left with practically the whole agency on his hands. Good work did not pass unnoticed and very soon Mr. Elvins returned to Toronto, to take charge of the supply department at head office. Whatever other supply managers did was certainly no criterion for the new incumbent of office. In those days the supply department was evidently a nice little gold mine for whoever happened to be in charge, and it was Mr. Elvins first task to clean out the old system whereby the company was being bled for many good dollars that might otherwise have gone into more productive channels. The job was accomplished in very short order, and with new laurels of achievement on his head, the supply department manager became also advertising manager.

It is now twenty years since all this happened and looking back over the company's advertising efforts, and achievements in the past two decades, it becomes quite evident that the Imperial Life, under the guiding hand of Clifford Elvins, has achieved success by the simple but effective expedient of being different. He is one of the leading Canadian insurance advertising men.

His latest achievement is the presidency of the same Insurance Advertising Conference, of which he is a charter member. As well, he has been secretary-treasurer of the Toronto Insurance Institute since 1912, and has been linked up with practically every Canadian advertising association since his entry into this field. He was one of the leaders in promoting co-operative advertising by Canadian life companies.

Expect McColl Bros. Preferred to be Retired

Market action of McColl Bros. stock, both common and preferred, during the past few weeks reflects the report that the company will retire the outstanding preferred early this fall. At present there are approximately $1,000,000 of the 7 per cent cumulative preferred stock in the hands of the public. These securities are callable at $107.50 on any dividend date on 60 day's notice, or may be converted into common on the basis of three for one. Common is now selling around $30 a share, while the preferred is quoted at $115.

This proposed action was foretold by the president at the last annual meeting of the company, when he said, "It is hoped that before the next annual meeting, your directors will be in a position to take some action regarding the retirement of the outstanding preferred stock, and at the same time the matter of a cash bonus or an increase in dividend for the common stock will receive attention, provided that business increases are maintained."

To date this year, the company has been experiencing good business. Its well-known products, Red Indian motor oils and Marathon gasoline, have been in active demand and despite price reductions on account of cheaper supplies of crude oil, the company is said to be more than maintaining the record set up last year.

In the event of the elimination of the cumulative preferred, the common will be the only stock outstanding and the company will be in a position to substantially increase the dividend on stock, as warranted by earnings.

DEMAND GOVERNS SECURITY VALUES

Day of High Price Yields is Now a Thing of the Past

By N. S. BROOKE,

Royal Securities Corp'n., Report on Corporation Securities to Investment Bankers Association of Canada.

Although Canadian investment bankers have for some time been drawing the attention of the public to the broad influences governing the rise and fall of money rates, there appears even yet to be a lack of realization upon the part of many Canadian investors that, as in the case of commodities, the ratio of supply to demand governs security values. The day of 7 per cent. yields on sound bonds and preferred shares has now passed. Normal yields for public utility bonds now appear to be from about 5 per cent. to 5½ per cent., and for good industrial securities the range is approximately 5½ per cent. to 6¼ per cent. The price and yield tendencies of representative listed bonds and preferred stocks are shown by the following tabulations, giving comparative prices and yields at the end of 1925 and 1926, respectively:

Bonds

	Rate %	Due	Price 1925	Yield %	Price 1926	Yield %
Asbestos Corp.	5	1942	93	5⅝	100	5
Calgary Power	5	1940	91	5.90	92	5⅞
Canadian Car	6	1939	101½	5.80	104	5.55
Canada Cement	6	1929	103	5⅛	102	5.60
Canadian Cottons	5	1940	94¾	5½	97	5.30
Can. Con. Rubber	6	1946	100½	5.95	103	5¾
Canada Steamship	5	1943	83½	6.60	98	5.20
Cedar Rapids	5	1953	100	5	100½	4.95
Montreal Trams.	5	1941	97¼	5¼	99	5.10
Ogilvie Milling	6	1932	105	4.20	104	4¼
Ontario Steel	6	1943	100	6	101¾	5.80
Quebec Railway	5	1939	93	5¾	100	5
Spanish River	6	1931	107	4⅝	108	4.20
Steel of Canada	6	1940	106	5.40	107	5⅝
Wabasso Cotton	6	1947	99	6.10	100½	5.95
Wayagamack	6	1951	92	6⅝	99	6.10
Winnipeg Electric	5	1935	94¾	5.70	97	5.40

Preferred Stocks

	Rate %	Price 1925	Yield %	Price 1926	Yield %
Abitibi	7	110	6.36	114½	6.11
Canadian Car	7	75¾	9¼	88½	7.90
Canada Cement	7	116	6.04	118½	5.90
Canada Steamship	7	56	12½	91	7.70
Canadian General Electric	7	57	6.14	56	6.25
Dominion Textile	7	119	5.88	119	5.88
Ogilvie Flour	7	123	5.69	120	5.83
Ottawa Power	6½	102	6.38	102	6.38
Price Brothers	6½	96	6.77	101	6.44
Sherwin Williams	7	113¼	6.15	118	5.93
Spanish River	7	115	6.08	114	6.14
Steel of Canada	7	115	6.08	126	5.56
Winnipeg Electric	7	97	7.21	101	6.93

Corporation Issues Larger

Corporation bond issues during the first four months of 1927, were approximately 50 per cent. more than in the corresponding period of 1926, but again it is to be noted that a very large proportion of the issues were in the paper and power group. In view of the over-capacity now existing in newsprint industry, it is unlikely that there will be much additional public financing for mill construction for some time.

The outlook is for a lack of activity as regards new offerings, at least until the fall, when the corporation bond market probably will be featured by more diversified—though not numerous—offerings. With immigration steadily increasing, the Western farmers in a more prosperous condition, and with Canada receiving a great deal of favorable publicity abroad in connection with the Confederation celebration, there appears to be sound reason for anticipating industrial and commercial expansion which will need increasingly the facilities which Canadian banks and investment bankers are now so well organized to provide.

Dominion Bridge Company May Increase Dividend

From Our Own Correspondent.

MONTREAL—In view of the consistently better business enjoyed by the Dominion Bridge Company and its subsidiary, the Dominion Engineering Works, coupled with the $2 bonus in January and the $2 bonus in May, it is felt that the management may decide to revert to the old 8 per cent. dividend rate in paying the next quarterly dividend.

Although the company has had severe ups and downs in its earning power, it has always maintained itself in a strong financial position, and thus it seems probable that the betterment in its earnings may be reflected to the full in the company's disbursements to its shareholders.

Canada's external trade for the fiscal year is given as $2,298,465,647, exports being $1,267,573,142 as against $1,326,700,137 the year before, and imports $1,030,892,505 against $927,328,732.

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

Insurance, Bank & Trust Company Stocks
The Insurance Investments Limited
Adelaide 5127-8
347 Bay Street, Toronto

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Chairman of the Board
B. HAL. BROWN,
President and General Manager
HEAD OFFICE
PRUDENTIAL TRUST BLDG.,
Montreal
TORONTO OFFICE
Reford Bldg., 217 Bay St.
Branches throughout Canada and in London, Eng.

Maple Leaf Milling Company, Limited
TORONTO

SEVENTEENTH ANNUAL STATEMENT

General Manager: D. A. CAMPBELL.

ASSETS

Cash on hand and in Bank	$ 123,363.27	
Accounts Receivable	1,896,861.30	
Inventories, Grain, Flour, Feed, etc.	3,958,123.05	
Investments	2,976,169.67	
		$8,954,517.29
Deferred Charges		282,289.34
Real Estate, Buildings, Plant and Equipment		6,834,502.32
Goodwill and Trade Marks		236,043.86
		$16,307,352.81

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING MARCH 31ST, 1927

Bond Interest	$ 121,301.83	Balance, March 31st, 1926	$1,933,517.93
Dividends, Preferred	205,100.00	Net Profit from all sources	469,345.39
Balance, March 31st, 1927, per Balance Sheet	2,076,461.49		
	$2,402,863.32		$2,402,863.32

LIABILITIES

Bankers' Advances	$3,496,884.08	
Accounts Payable	1,620,619.05	
		$5,117,503.13
6½% First Mortgage Bonds	$2,000,000.00	
Less Redemptions	156,000.00	
		1,844,000.00
Reserves:		
Depreciation	$1,674,679.24	
Contingent Account to cover unfilled contracts	81,280.56	
Bad and Doubtful Accounts	83,428.39	
		1,839,388.19
Capital Stock:		
Preferred	$2,930,000.00	
Common	2,500,000.00	
		5,430,000.00
Profit and Loss		2,076,461.49
		$16,307,352.81

(Indirect Liability for Bills under Discount $704,155.18.)

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Canadian Passenger Agt.

Lehigh Valley Railroad
The Route of The Black Diamond

Events in Banking World

Canadian Banks Gain Branches Now After Four Years of Loss

During the current year Canadian banks have shown a tendency to open rather than close branches. This is probably as good evidence as anyone reasonably would ask of the confidence Canada's leading bank men now feel in the business situation in the Dominion.

Gain 19 Branches in 1927

In the first five months of this year Canadian banks opened 40 branches and closed 21, a net gain of 19 branches.

The number of bank branches in Canada stood at 3,974 at the end of April. This was of nearly 1,000 from the high figure of 4,900 branches reached in September, 1921, when the rush to open branches, sub-branches and agencies, was very hot.

It was generally felt at that time that the pace was becoming too swift and that many of the branches that were being opened were foredoomed to operation at a loss. Warnings were sounded by various leaders and the Canadian Bankers' Association discussed the question. The difficulties of the Union Bank of Canada brought the problem to a crisis and the banks definitely embarked upon a programme of branch reductions. For four years closures have exceeded the establishment of new branches.

The number of branch banks in Canada at various dates since 1921 has been as follows:

Dec., 1921	4,686
Dec., 1922	4,472
Dec., 1923	4,234
Dec., 1924	4,028
April, 1925	3,967
April, 1927	3,781

Including branches outside Canada the totals have varied as follows:

Dec., 1921	4,888
Dec., 1922	4,671
Dec., 1923	4,431
Dec., 1924	4,217
April, 1925	4,154
April, 1927	3,974

The following figures show the tendency over the past three years, as indicated by the monthly report of branches opened and closed, compiled by The Financial Post:

1925	Open	Closed	Gain	Loss
January	7	7	..	..
February	2	5	..	3
March	5	23	..	18
April	7	9	..	2
May	3	23	..	20
June	10	6	4	..
July	7	37	..	30
August	6	12	..	6
Septemer	6	12	..	12
October	5	11	..	6
November	5	8	..	3
December	1	16	..	15
1926	**Open**	**Closed**	**Gain**	**Loss**
January	7	21	..	14
February	4	11	..	7
March	4	3	1	..
April	5	5	..	..
May	5	23	..	18
June	4	5	..	1
July	5	5	..	..
August	4	6	..	2
September	2	4	..	2
October	5	5	..	..
November	7	5	2	..
December	5	9	..	4
1927	**Open**	**Closed**	**Gain**	**Loss**
January	5	2	3	..
February	9	6	3	..
March	3	0	3	..
April	5	1	4	..
May	9	6	3	..

The number of bank branches in detail at April 30, 1927, shows as follows:

	Canada	Nfld.	Elsewhere	Total
Commerce	544	2	12	560
Dominion	116	..	2	118
Nationale	552	..	1	553
Imperial	182	..	..	182
Montreal	599	5	13	617
Nova Scotia	265	12	27	304
Provincial	317	..	..	317
Royal	779	5	114	898
Standard	221	..	..	221
Toronto	167	..	..	167
Weyburn Sec.	26	..	..	26
Private banks	...	..	..	11

TRY TO DODGE TAX ON BRITISH CHEQUES

But Chancellor of Exchequer Raises Protest and Scheme is Apparently Not Going to Work

An obscure little paragraph in a mass of news published in the daily press a day or two since contained the germ of a human interest story in its revelation of the tendency of genus homo to evade and avoid the burden of taxation. Great Britain, as is well known, places a stamp tax on every check and like instrument issued. This tax, while only a penny or so, in the lower brackets at least, is not popular.

The cablegram referred to grew out of the effort made by the Midland Bank of London, the largest bank in the world, to save check duty on small payments by issuing books of receipts for sums under £2 which could be given for payment in the bank or handed to a merchant for settlement of debt. Since the order was not a check, but in a way a new form of currency, no stamp duty was required. The plan is said to have been met with much favor on the part of the public.

The London Bankers Clearing House, however, regarded the matter in a different light. On legal advice it decided not to provide clearing facilities for these receipts. That, of course, may spoil the whole scheme.

The matter got into parliament and Chancellor of the Exchequer Churchill announced that he was communicating with representative bankers, asking them to uphold the system of stamped checks or "checklets," as they have already been termed. There the matter rests.

Canada has a check stamp duty that is based on the amount represented in the instrument rather than on the instrument itself. It has been the practice of some Canadian institutions in making remittances to the United States to substitute for a regular draft form a receipt setting forth that a deposit to the credit of the payee has been made, and that this deposit is to be obtained in regular banking routine at one or more of the agencies of the bank in the United States. No objection to this practice has been forthcoming. The English receipt form is an adaptation of the Canadian bank plan on a small scale.

The American Banker, commenting on the situation, recalls that the United States has no checks or receipt stamp taxes.

Gain of Three Branches in Banks During May

The Canadian chartered banks report the opening of nine new branches in May, and six branches closed. Following is a list of the branches opened and closed during the month:

Opened

Can. Nationale—2536 St. Catherine Street East, Montreal.

Commerce—Kapuskasing, Ont.

Imperial—Gold Pines (Rolling Portage, P.O.) Ont.

Montreal—Limoilou, Que.; Quebec, Que.

Standard—Scarboro Bluffs, Ont.; Port McNicoll (sub.); Saskatoon.

Toronto—Ottawa, South, corner Bank and Cameron Streets.

Closed

Montreal—Munson, Alta.

Royal—Port McNicoll, Ont.; Magrath, Alta.; Cruces, Cuba; Guines, Cuba.

Standard—Glenella, Man.

Book Reviews

The Last Great West

In the last twenty years, the Government and other public organizations, have issued millions of leaflets, booklets, folders, maps, etc., in order to set forth the attractions of Canada as a country for settlement. Some of this literature has been good; some not worth the paper it is printed on. But by hammering away on the same subject year after year, results have been achieved which have no doubt made it worthwhile and profitable for the expense involved in preparing and printing this propaganda.

The latest addition to the library, is a small, well-prepared booklet on the Peace River Country, issued by the Natural Resources Intelligence Service. This piece of literature is in reality the bringing up-to-date and condensation of the material which first appeared in a much larger volume entitled "The Last Great West" issued by the Federal Government a number of years back.

It has been prepared to meet extensive and ever increasing demands for authentic information respecting the district. Various sections contain information respecting such general topics as climate, physiography, vegetation, soil, land settlement, grain growing, mixed farming, ranching, mineral deposits, timber, water-powers, game, transportation and kindred subjects. Other sections give more detailed information of the several local settlements. There are eight full-page maps and twenty-five representative illustrations.

There is no doubt but that it will prove useful to the immigrant intending to settle in the Peace River country. It will also be of value to those seeking general information about a country which is capable of great productivity and of which little is known.

Weekly Bank Clearings

(In comparison with the same week last year)

Eastern Cities

	June 10, 1926	June 9, 1927
Halifax	$ 3,358,705	$ 4,116,306
St. John	3,089,229	2,583,848
Moncton	1,041,855	754,306
Sherbrooke	948,280	987,408
Quebec	6,257,228	7,227,410
Montreal	112,942,489	128,110,824
Ottawa	8,407,457	8,521,863
Kingston	872,186	864,489
Toronto	115,288,645	123,738,612
Peterboro'	972,085	919,236
Hamilton	5,811,232	5,611,472
London	2,602,174	3,396,765
Chatham	1,002,246	704,772
Brantford	1,235,129	1,119,431
Sarnia	620,609	672,579
Kitchener	1,547,910	1,250,000
Windsor	6,392,584	4,605,341

Western Cities

	June 10, 1926	June 9, 1927
Fort William	$ 1,248,558	$ 1,078,060
Winnipeg	62,337,871	46,876,076
Regina	5,667,212	3,819,571
Brandon	674,227	572,928
Moose Jaw	1,336,326	1,113,130
Saskatoon	2,111,423	1,901,749
Prince Albert	417,761	384,634
Lethbridge	514,612	447,668
Calgary	6,723,144	6,424,035
Edmonton	5,543,798	4,799,357
Medicine Hat	318,350	260,336
New Westminster	805,171	764,167
Vancouver	17,869,613	17,381,529
Victoria	2,471,808	2,219,101

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CANADIAN PACIFIC RAILWAY COMPANY

Department of Colonization and Development.

MONTREAL, CANADA. J. S. Dennis, Chief Commissioner.

ADDITIONAL ISSUE

An offering of these shares is being made simultaneously in the United States.

$15,000,000

International Paper Company

Cumulative 7% Preferred Stock

(Par Value $100)

Preferred as to assets and cumulative dividends over the 6% Preferred Stock and the Common Stock. Cumulative dividends payable quarterly, January, April, July and October 15. Callable at 115 and accrued dividend. Equal voting rights with the 6% Preferred Stock and the Common Stock.

Transfer Agents:
BANKERS TRUST COMPANY, NEW YORK CITY
THE FITST NATIONAL BANK OF BOSTON
MONTREAL TRUST CO., MONTREAL

Registrars:
THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK
OLD COLONY TRUST COMPANY, BOSTON
THE ROYAL TRUST COMPANY, MONTREAL

The following information has been summarized by Mr. A. R. Graustein, President of the Company:

COMPANY: International Paper Company, organized in 1898, is engaged in the manufacture of many different classes of paper, and is, with its subsidiaries, the largest manufacturer of paper in the world and one of the largest holders of water powers in North America. The capacity of its pulp and paper mills is more than twice as great as that of any other company on this continent. Its timberland freeholds and Canadian Crown timber limit leases cover over 13,587,000 acres or an area substantially larger than the combined areas of Massachusetts, Connecticut, and New Hampshire, and are estimated to contain over 51,700 000 cords of pulpwood. It now has 23 paper and pulp mills, including some of the largest and most efficient plants in the world. Water powers in operation or under construction aggregate 700,000 h.p. (600,000 h.p. hydro-electric and 100,000 h.p. hydraulic), capable of being increased through further development and through utilization of undeveloped sites to over 1,500,000 h.p.

POWER PROPERTIES: The Company's wholly owned subsidiary, Gatineau Power Company, is constructing, on the Gatineau River near Ottawa, three power plants with a designed generating capacity exceeding 530,000 h.p., of which 80% is to be installed forthwith. Two of the three developments are nearing completion and power is already being delivered by them. The third is expected to be in operation in the fall of 1928. Long term contracts for the sale of over 300,000 h.p. have already been executed with the Ontario Hydro-Electric Power Commission and others, including mills of the Company, which with the sale of the remaining power not yet contracted for, will, it is estimated, produce annual net earnings, upon completion of the initial installation, exceeding $2,500,000 available for dividends on the stock of Gatineau Power Company held by International Paper Company.

At Grand Falls on the St. John River in the Province of New Brunswick, the St. John River Power Company, another subsidiary, has under construction the largest power development in the Maritime Provinces.

The Company also owns hydro-electric plants on the Hudson and Saranac Rivers in New York State with an installed capacity of approximately 44,000 h.p., which have been in profitable operation for some years. Preliminary estimates indicate that on completion of the Sacandaga reservoir the Company's powers on the Hudson River can be economically enlarged to a developed capacity in the neighborhood of 300,000 h.p.

International Paper Company will hold over 30% of the common stock of New England Power Association, the largest distributor of electricity in New England. In the year 1926 the properties now owned or controlled by that Association distributed 999,130,000 K.W.H. of electricity, and showed $26,662,731 gross receipts, approximately two-thirds of which arose from the sale of electricity.

CAPITALIZATION: The consolidated capitalization statement of International Paper Company and wholly owned subsidiaries (except Gatineau Power Company), as shown by the books of the Company as of April 30, 1927, adjusted to give effect to the pending issue of additional 7% Preferred Stock, and to the issuance of 500,000 shares of additional Common stock now being offered to stockholders, is as follows:

	Authorized	Outstanding	
FUNDED DEBT:			
Divisional Bonds, Purchase Money Mortgages and Serial Notes	Closed	$ 7,789,547	
First and Refunding Mortgage 5% Bonds, due 1947	Closed	17,809,000	
Refunding Mortgage 6% Bonds, Series "A", due 1955	(a)	21,848,000	
6% Convertible Gold Debentures, due 1941	$25,000,000	24,707,700	(b)
		$72,154,247	
CAPITAL STOCK:			
Cumulative 7% Preferred	(c) $100,000,000	$47,640,300	
Cumulative 6% Preferred	2,652,000	2,652,000	(d)
Common (no par value)	1,000,000 shs.	1,000,000 shs.	

(a) The issuance of additional bonds under this mortgage is restricted by the conservative provisions of the Indenture.
(b) $292,300 retired through conversion into 7% Preferred Stock.
(c) Of which $24,707,700 par value has been reserved for conversion of the 6% Convertible Debentures, and $2,652,000 par value for conversion of the 6% Preferred Stock outstanding.
(d) Convertible at the present time into 7% Preferred Stock share for share on payment by the stockholder of bonus of $10 per share.

EARNINGS: Average annual net earnings of International Paper Company and its wholly owned subsidiaries for the ten years ended December 31, 1926, available for dividends, after all charges including maintenance and replacements, depletion and depreciation, interest charges and Federal taxes paid, amounted to $3,250,000, or over twice the dividends accrued on the average amount of Preferred Stock outstanding during this period. Such earnings for the year 1926 were $3,275,000 and for the twelve months ended April 30, 1927, had increased to $4,094,000. Earnings of the Company on the same basis for the twelve months ended April 30, 1927, including the earnings for the full twelve months of properties owned on April 30, 1927, were approximately $5,028,000, equivalent to approximately $10.00 per share on the 7% Preferred Stock to be presently outstanding, including that reserved for exchange for 6% Preferred Stock. These earnings do not, however, reflect any income from 160,500 Common shares of New England Power Association for which a part of the Preferred Stock now offered is to be issued or from the proceeds of the recent Common Stock offer already underwrittten.

For the twelve months ending April 30, 1928 it is expected that earnings from existing properties, together with such earnings from properties to be completed or acquired within that period, will be in excess of twice the annual dividend requirement on the total Preferred Stock presently to be outstanding.

Depreciation charges have been liberal, averaging $2,680,000 annually for the ten year period and amounting to $3,904,015 for the twelve months period ended April 30, 1927.

PURPOSE OF ISSUE: The stock included in this offering was issued or is to be issued in connection with the acquisition of the Louisiana Pulp & Paper Co. properties and 160,500 Common shares of New England Power Association.

VALUATION: The assets available for the Preferred Stock, adjusted to give effect to the pending issues of Preferred and Common Stock, have a book value of $125,000,000, or about $250 per share of Preferred Stock to be outstanding. The real value of these assets is conservatively estimated to be substantially in excess of book value.

The Preferred Stock is listed on the New York and Montreal Stock Exchanges and application will be made to list the additional shares not heretofore listed.

Price $99 per share

For further information in regard to this offering, reference is made to a circular which may be obtained upon request.

This stock is offered for delivery when, as and if received by us and subject to the approval of counsel. Legal matters in connection with the issuance of this stock will be passed upon for the bankers by Messrs. Rushmore, Bisbee & Stern and for the Company by Messrs. Davis, Polk, Wardwell, Gardiner & Reed. It is expected that temporary or definitive certificates will be available for delivery on or about June 24, 1927.

Drury & Co
Royal Securities Corporation Limited
Greenshields & Co
Hanson Bros.
Réné-T. Leclerc, Inc.
McDougall & Cowans

STATEMENTS WHILE NOT GUARANTEED ARE BASED UPON INFORMATION WHICH WE BELIEVE TO BE RELIABLE.

June 15, 1927.

COAST SHIPPERS TIRED OF SCRAPS ON FREIGHT RATES

Now Ready for Round-Table Settlement of Disputes

From Our Own Correspondent.

VANCOUVER.—A notable change is occurring in British Columbia on the question of freight rates and it is probably correct to say that 75 per cent. of the business men most directly concerned — manufacturers, shippers and brokers — are in favor of what is known as "the round table conference" plan of adjusting freight rates.

British Columbians are steadily swinging over from the militant attitude engendered in political campaigns to a belief that more satisfactory results might be obtained by direct negotiations between the shippers and railways without recourse to legal jousting. The railway board's position would not be weakened. It would even be strengthened. The board would be in a better position to judge claims if it were not acting as umpire in a cat fight.

The writer has interviewed several prominent British Columbia business men formerly at the forefront of the freight rates equalization campaign and has found them advocating a new method of procedure, to be applied regardless of the outcome of the recent presentation of evidence to the Board of. Railway Commissioners.

Too Much Politics in Past

"We do not know what the commissioners' decision will be," said one. "Naturally, we hope that it will put rates in the mountain zone on a parity with those of the rest of Canada.

"But in any event, I think British Columbia freight shippers should keep the handling of future disputes with the railways entirely in their own hands and not let their cases be manufactured into political ammunition."

Experience of the shippers in revision of freight classifications, an amicable—even a pleasant—affair conducted wholly by expert traffic men representing the private shippers and the railways, has strengthened the feeling in British Columbia that the same form of procedure might be applied to the freight rates dispute.

Shippers met and threshed over the desired reforms in classifications. Meetings were held for that purpose in every centre of importance in Canada. Then at a central conference their representatives presented the requests of the private shippers. The railways, represented not by lawyers but by traffic men, heard the petitions and out of conference and compromise evolved a new structure of classifications fairly satisfactory to all.

Railways Made Dependents

It is no secret that the railway companies, as represented by such experts as W. B. Lanigan, lately retired from the traffic managership of the C.P.R., resented their defensive position and the court-like proceedings of the railway commission with such lawyers as G. G. McGeer, K.C., carrying the war into their camp.

Observing the situation from Vancouver, once centre of the bitterest resentment on the freight rates question, it is fairly safe to predict that tactics will be changed and Canada will not soon again see her freight rate troubles entrusted to the hands of others than freight rate experts.

WELLAND CANAL TO BE READY BY 1930

Private Capital First Launched Venture Back in 1815

It was the initiative of private enterprise that first built a canal across the Welland peninsula. As early as 1815, William H. Merritt planned to bring water from the Niagara River to run his mill, and in order to finance the project he conceived the plan of a commercial waterway whereon traffic should pay toll and thus pay for its construction and upkeep. The original company was incorporated with a capitalization of 40,000 pounds sterling, and four years later, in 1824, work was definitely commenced. From that day to this, although the canal has been under government control since 1840, the waterway has been continuously improved, and by 1930, Canada will be the proud possessor of a 25-foot navigable waterway that will form a man-made link between Lake Ontario and Lake Erie.

A Remarkable Undertaking

The new canal, which was to have been ready in 1917, at a cost of about $5,000,000, was originally proposed in 1911, but was delayed on account of the late war. The project calls for a ship canal with only seven locks, as against the twenty-five now in use. Each lock is to be 800-ft. long by 80-ft. wide, with a depth at extreme low water of 30-ft., the canal to be 25-ft. deep with provision for a 35-ft. channel when conditions should make it desirable. The route of the new canal runs from Port Colborne on Lake Erie, to Port Weller on Lake Ontario. The difference in lake levels is 326 feet, and each of the seven locks will have a lift of 46½-ft. Facilities at both ends of the canal will be much better than at present. A new anchorage will be constructed at Port Colborne providing a safe anchorage in time of storm. The piers at Port Weller will be run out a mile and a half from the shore to insure the required 30-ft. depth. One of the most remarkable engineering undertakings in connection with the project has been the method employed in building the entrance piers. Huge concrete cribs were built at Port Dalhousie then floated to Port Weller and sunk. More than 50 of these cribs have to be built altogether.

Canada a Wealthy Country

In estimated national wealth in million of dollars, Canada stands seventh on the list, higher than Australia, Brazil, Argentina, and in fact higher than any of the new countries, according to the Natural Resources Intelligence Service of the Department of the Interior at Ottawa. In wealth per capita in dollars, Canada is only surpassed by the United States and Great Britain. Canada is among the only five nations showing a surplus on current account and is also among those countries having a food surplus. She ranks fifth among the nations as an exporter and seventh as an importer.

Claims 85% Retail Trade Done by Small Stores

Only 50 Retailers Big Enough to Buy Direct in Canada

By J. E. BROWN,

President, Revillon Wholesale, Edmonton, in address to Canadian Credit Men's Ass'n.

The small-town merchant has one primary handicap at the start that makes for unequal competition. His purchases of each item are so small that he cannot buy in the primary market and has to pay the expenses of middle men, as well as their profit, in order to get his goods assembled from the four corners of the earth. If he could buy each item in the primary market in the quantities he can use, the packing, shipping, billing and collecting by each producer would be much higher than it is to buy of the wholesaler, who now assembles his goods. But either method costs him more than his competitor, who lives among larger close-in population, who gets the advantages of factory quantities, prices and car lot shipments, and whose turnover justifies it.

Again the large distributor can train his help in the most expert way so that he gets better salesmanship, more expert accountants and buyers than the small town store can command; also, on account of his small opportunities he cannot turn stock fast enough to avoid staleness, spoilage and style changes of stock.

One Offsetting Advantage

The village merchant does not have as high taxes or rent or expensive overhead as his large competitor, which helps to offset some of his disadvantages.

The wholesale distributor, in these times, has little interest for the large city retailer or the chain stores. Such retail organizations have little need for the wholesaler, as they buy direct from factories and producers, the same as wholesalers, and sometimes get allowances for advertising the factory's product.

Curtail Wholesale Profits

This modern development has curtailed the wholesaler's volume and at the same time his profits. The large retailer was useful to the wholesaler in the matter of stock turnover and the clearance of seasonal lines and over stock. Now the wholesalers have only the smaller buyers left, who need goods in small lots, broken cases and cut lengths. This kind of trade is more expensive in every way for the wholesaler and means he has less net profit, or he must charge higher prices, which, in turn, makes it harder for his retail customer to sell in competition with the larger retail or chain, who has factory buying privileges. The wholesaler's selling costs, order filling, bookkeeping and delivery expenses all go up with only the small store trade.

It is obvious that both wholesaler and small retailer are at a disadvantage under the present chaotic distribution.

Buying Direct Begins

In the near past the factory sold its product from advance samples to wholesalers and then made up stock to fill the orders. The factory played a safe and easy game, as he had months to make up his goods before they were required. In short, the wholesaler took the risk of changing markets, styles, and the fickleness of humanity. The manufacturer liked this and grew rich and at the same time indifferent to his guardian angel.—the wholesaler. The wholesaler also grew rich because everybody depended on him for their supplies. Now here is where the large retailer became jealous and envious and was itching to get some of the profits he thought he was entitled to on account of his size. So he offered the factory a little longer price than the factory was charging the wholesaler and the factory fell for it. Then the retailer began to feel the overload of factory quantities and began to squeeze the factory for lower prices. And he got them. But the factory quantity was still too large, so he asked for smaller quantities, shipped oftener, but the factory would have to raise the price to do it. Here was the beginning of the chain system.

Do Not Cover Frontier Places

Big buying methods forced a greater outlet for the big buyer and branches or chains was the remedy. The economics of distribution is mass production, large purchases in car lot shipments to markets that can consume them.

But what is to become of the farflung villages and cross-road stores and the outposts of trade? Mail order houses tried to solve it, but distance and time prevents a satisfactory service, and now they are zoning the country and establishing chain mail-order retail stores. In this way they preserve mass production quantity buying, but they are increasing their expenses, so they only invade the larger places and still leave the frontier and thinly settled places alone.

Adds to Congestion

This condition, advertised through the press and circulars mailed direct, draws the cream of even the frontier places to the comparatively large centers, to the serious detriment of the small stores. The public wants equal advantages, no matter where they live. If they are living where it is too difficult to get them they move where they can. This is the reason for congestion of trade and population. It is true that trade follows the people, but it is just as true that the people congregate where living is most reasonable. When we can bring to the frontier the same cost of living as in densely settled places, we will have solved the immigration and new country settlement question.

Who wants to live 50 miles from a cake of soap, a new shirt or a box of axle grease, a can of peas, of peaches, a necktie, a hammer, a pound of nails or a pair of pants? Neither are we willing to pay two or three times what our friends in the big centers pay. The automobile and better roads have enlarged the trading territory of the consumer and a single store buying direct can influence a considerable out-of-town trade to the detriment of the small store.

It is the retailer's right to buy direct when he can. The manufacturer has the right to sell him direct, if he wishes. It is not a question of ethics or law. But it is a question of wisdom.

Only 15% of Trade by Giants

In all Canada there are not more than 50 large retailers that factories can sell direct either economically or satisfactorily, and their combined purchasing power is only about 15 per cent. of the whole country. Yet some factories are willing to take chances in selling 50 buyers and losing the goodwill of thousands of small merchants, who sell 85 per cent. of the merchandise. It looks like a high price for the manufacturers to pay for the cream of the trade and lose the goodwill of the wholesaler and small retailer.

We are all in trade to make money, and the wholesalers and retailers who handle 85 per cent. of the trade will not submit to this growing ruinous habit without protecting themselves. If they cannot get co-operation with the manufacturers, they will, in self protection, work out a plan themselves.

Business Conditions In United States

Measured by check payments, the dollar volume of trade in the United States during the week ending June 4, was smaller than in the previous week but greater than a year ago, according to the weekly statement of the Department of Commerce. Building contracts awarded during the first three days of June averaged more than $25,000,000 per day, being higher than for the same period a year ago. Wholesale prices strengthened as compared with the preceding week but the general level was substantially lower than in the previous year. Prices of cotton continued to average higher, while wheat prices receded from the previous week.

Loans and discounts of Federal reserve member banks continued to expand, both as compared with the previous week and the corresponding week of last year.

The production of bituminous coal during the last week of May was greater than in the preceding week, but substantially lower than a year ago. Lumber production was also greater than in the previous week, with a decline from the preceding year. Beehive-coke production showed declines from both prior periods. The output of crude petroleum again expanded. Receipts of cattle were lower than a year ago, while hog receipts showed an increase over last year.

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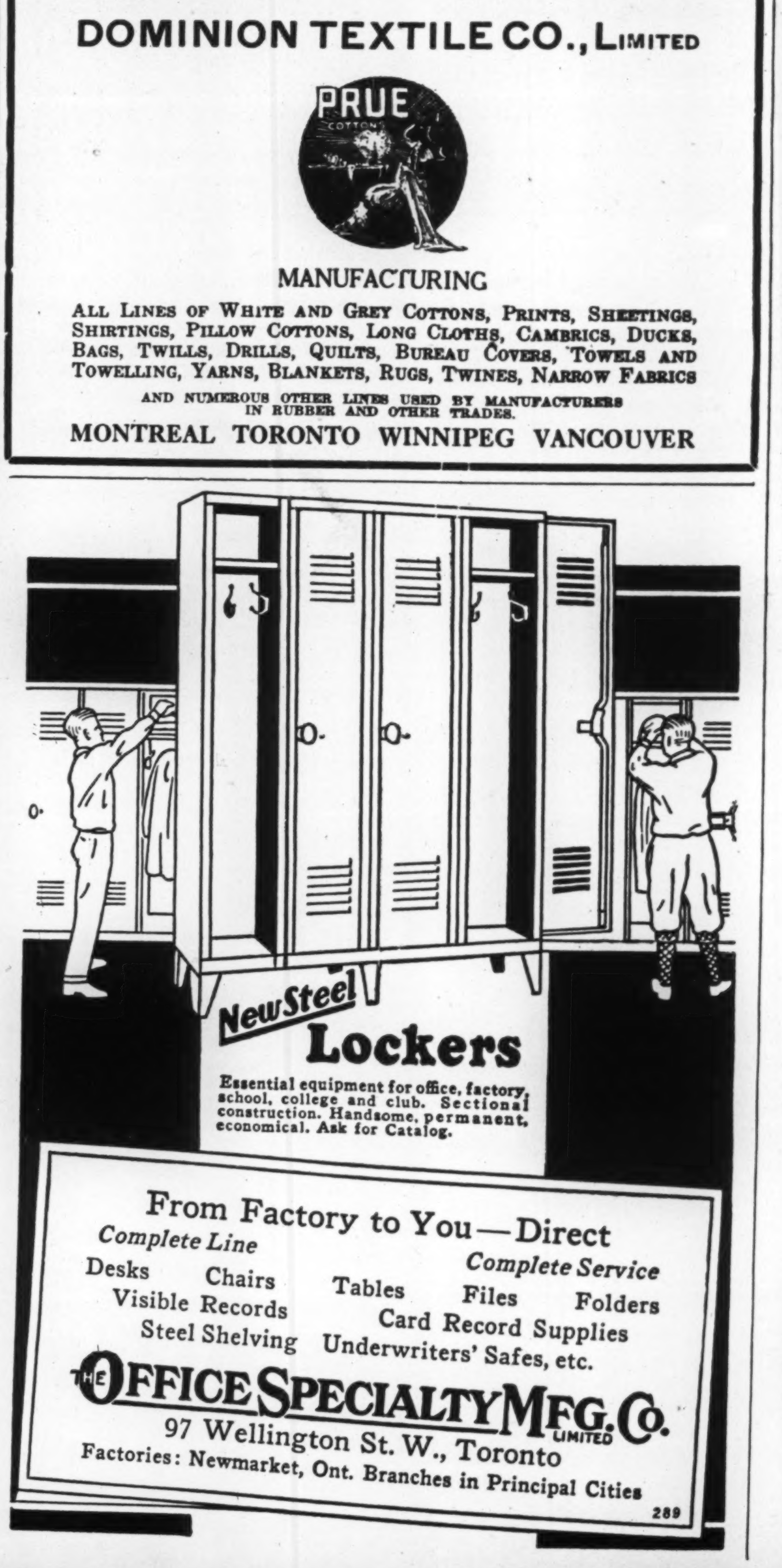

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